FEBRUARY 1960 / 50 CENTS

AMERICAN BUSINESS

BETTER MANAGEMENT THROUGH OFFICE IMPROVEMENT

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Managing Your Most Precious Asset page 13

British Firm Enjoys U. S. Management page 26

Questions to Answer Before Automation page 33

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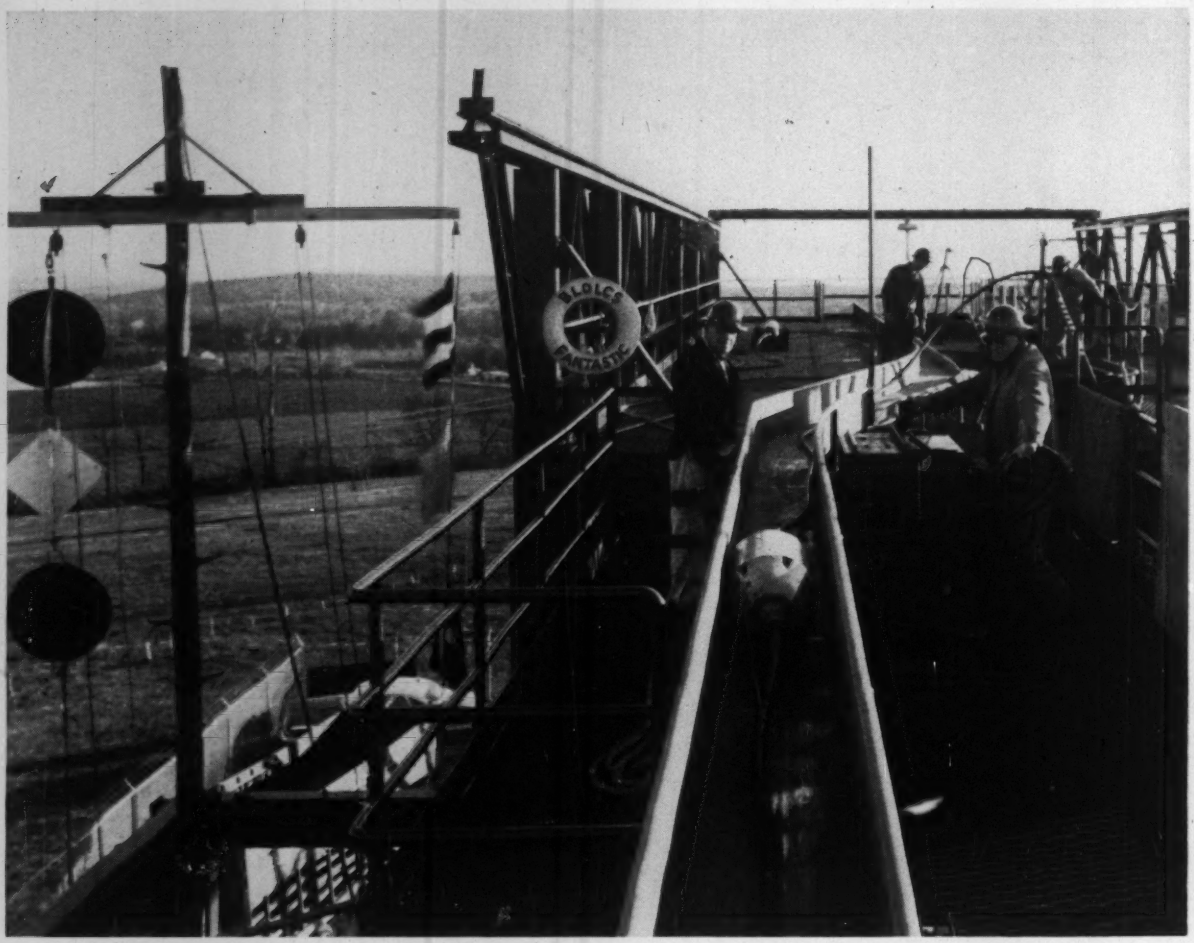

Engineers study section of cable containing dummy amplifier being payed out. Life preserver inscription stands for "Bell Laboratories Dry Land Cable Ship Fantastic"

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Winches whine as long sections of cable are pulled up from the "hold" and payed out "overboard" as if the *Fantastic* were truly at sea. Flying gaily from a yardarm are maritime signals warning other vessels to stay clear.

Elsewhere in the Laboratories, experiments show how to grip the cable and control its speed, what happens as it sinks into the sea, how fast it should be payed out to fit the ocean bottom snugly. Still other studies plot the hills and valleys of the ocean floor where the cable will eventually be laid.

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BELL TELEPHONE SYSTEM

VOLUME 30 / NUMBER 2

AMERICAN BUSINESS

BETTER MANAGEMENT THROUGH OFFICE IMPROVEMENT

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FEBRUARY 1960

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A Dartnell Publication

THE EDITOR'S CORNER

EZRA SOLOMON is an unusual young man. Born in Rangoon, Burma, where his family owned and operated a public utility company, he was teaching economics at the University of Rangoon when the Japanese invaded Burma.

With his family he walked over the mountains to India, where he joined the Royal Navy Volunteer Reserve. After the war he came to the University of Chicago, earned a Ph.D. in economics and became a member of the faculty of Graduate School of Business, one section of the University that lived through the administration of Robert M. Hutchins relatively unscathed. I was a member of one of Professor Solomon's classes. With a lively mind and articulate tongue, he was a fine lecturer and teacher.

These qualities are reflected in a talk he delivered late last month, "The American Economy in the Sixties—Prospects and Problems." He predicted strong downward jolts would set off at least three recessions in the economy between 1960 and 1970. These recessions will be mild, nothing like the depressions of the 1930's.

He based his forecast on the old staples of economists, supply and demand. In the last decade the number of people in the economically active age groups—roughly 20 to 65—grew about 10 percent. This compares with an expansion of 13 percent in the 1930's, 20 percent in the 1920's, and 27 percent in the first decade of the century.

In contrast, the number of people under 20 or over 65 expanded 36 percent in the 1950's. In the 1930's this group didn't grow at all and in the 1920's it increased 13 percent.

Demand Outruns Supply

People in the 20 to 65 age bracket provide the supply of goods and services while those in the other group provide demand. This state of things in the 1950's caused the demand for manpower to outrun the supply. More women went to work. To obtain more productivity per worker, capital (equipment) was substituted for manpower. "All of this added up to a decade of vigorous demand, vigorous capital formation, and vigorous growth," Dr. Solomon observes.

In the next 10 years the active supply-producing age group is going to expand 13.5 percent compared to the last decade's 10 percent. The other group will expand less, too, but not proportionately less. "This will mean somewhat less tightness in the labor market and hence less pressure to substitute capital for labor in industry," the professor predicts.

He thinks that the downward jolts will be set off by a fall in one or more types of demand. Don't look to government spending for stabilization, he warns. "... government spending and especially national security expenditures, have been one of the biggest initiating sources of instability." Systematic long-range planning of business investment in plant, equipment, and inventory is another illusionary stabilizer, he contends.

Destabilizing Inventories

"In practice, business investment and inventory policy is as destabilizing today as it ever was. For example, the violent downswing in production from early 1957 to early 1958 was due more to inventory policy than to a change in the volume of final sales. As one businessman has put it, 'Surely we're going to stop beating ourselves over the head with our erratic inventory policy!' My guess is, 'Yes, someday but not yet.' "

J. Allan Rhea, the managing editor, is polishing up an article for next month's issue that will report in depth and detail how a manufacturer-distributor has stopped beating itself over the head. The company has developed an automatic reorder system for its customers, who are retailers, that eased the perpetual problem of inventory management. It uses "the world's smallest punched card" and enables the retailers to replenish their stock automatically. Used in Europe for more than 40 years, this automatic reorder system has come to the United States only recently.

Charles F. Johnson

AMERICAN BUSINESS

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This magazine's mission is to serve as a clearinghouse for management ideas and practical solutions to common management problems, especially in those areas of office administration of real concern to top management. Its editors welcome ideas, suggestions, and criticism.

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CONTROL AT CELANESE

"Moore forms help us save $16,000 a year in billing costs"

WALTER L. McINTOSH, Controller, Celanese Chemical Company, a division of Celanese Corporation of America

Celanese Chemical Company's new automated order-invoice system has brought many advantages, both to the company's management and to its operating departments. These include better control of production and shipping, and centralized billing, with faster, more accurate paperwork in nine locations. The system makes possible a 25% increase in billing without extra operating costs.

The system's basic feature is automatic printing of information on specially-designed forms. Orders are processed like this: first, a customer acknowledgement is prepared on a nine-part form. This is done on an automatic typewriter that produces a punched by-product tape, containing the order data. As copies of the acknowledgement are distributed, the tape is used to send the order by teletype to the specified shipping point for filling. At the same time, it is picked up on duplicate tape at Central Billing, where it is held until a shipping report comes in. Then the duplicate order tape is used on automatic billing machines to print the invoice on another nine-part form.

A second by-product tape is made at this time, and converted to punched cards. Data for accounts receivable, weekly sales analyses and other control functions are derived from these cards. All through the system, manual operations have been cut, reducing the chance of error to a minimum. Time is saved at every step, and the multi-part forms provide accurate copies for every office need. The forms are Moore Speediflo—the company's control in print.

"When it came to handling paperwork, the Moore man's advice was priceless," said Walter L. McIntosh, Controller of Celanese Chemical Company. To find out how the Moore man's knowledge of systems can help you get the control your business needs, write the nearest Moore office.

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AMERICAN BUSINESS

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LETTERS FROM READERS

Question of Brushes

The following statement appears in the article, "Diversification, Incorporated," by Don Wharton, in the June 1959 issue of AMERICAN BUSINESS:

"Then the firm removed one window, got experts to study the deposits on the glass, discovered that the friction of the nylon brushes was setting up an electrical charge which caused dirt to adhere to the glass so tightly it didn't rinse off."

This is incorrect. The nylon brushes in question are always used in conjunction with water and a detergent and under such conditions it is impossible for these brushes to establish an electrostatic charge that would cause dirt to adhere to a surface.—E. H. KELLER, *manager, Filaments Marketing Section, E. I. Du Pont de Nemours & Company, Wilmington, Del.*

Glad to publish this correction.

Merton Loses Face

In his article on the use of psychological tests in personnel work (October 1959), Lyle M. Spencer wrote: "The search for methods to find uncommon talent has led some executives to use a test of abilities as revealed in facial appearances—the Merton System. John R. Bangs, industrial and personnel relations director of The Budd Co. in Philadelphia, for instance, claims that he can spot personality traits in the faces of men—in the jutting chin, the drooping eyelid, or any combination of the 108 different bulges, curves, and ridges the late Holmes Whittier Merton charted into a scheme for picking executives."

I would like more information about the Merton System.—M. B. STUDEBAKER, *secretary-treasurer, Wayne Manufacturing Company, Pomona, Calif.*

Mr. Bangs has retired from The Budd Co. and now lives at 1839 N. W. 31st Terrace, Route 4, Gainesville, Fla. His successor reports that The Budd Co. no longer uses the Merton System. Perhaps Mr. Bangs can shed some light on current Merton System practices.

Communications: Pro and Con

Albert Escher's article on communications methods and equipment in your December issue was interesting and provocative. Not only did he cover the subject completely but he adequately conveyed the importance of good communications. In addition, the directory of manufacturers is an excellent reference.—HERBERT F. ZIMMERMANN, *office manager, Needham, Louis and Brorby, Inc., Chicago, Ill.*

On page 13 of your December issue we note under the heading of Closed Circuit TV that the name of one well-known equipment manufacturer has been omitted—namely Radio Corporation of America.

We have been in the Closed Circuit TV business for more than 10 years. We probably have installed some of the best-known and largest systems for industry, education, medical and military training.—PAUL A. GREENMEYER, *manager, broadcast and television advertising, Radio Corporation of America, Industrial Electronic Products, Camden, N. J.*

The Directory of Communications—Equipment Manufacturers in your December issue contained an error of commission and one of omission: In the category of Closed Circuit TV our company was listed. We used to have the Vericon line but we dropped it in 1952 and haven't been in that business since. We are, however, in the data-transmission business with our Synchro-Tape equipment and should have been listed in that category.—W. C. ROCKWELL, *manager, trade press information, Remington Rand Division, Sperry-Rand Corp., New York, N. Y.*

Who Has the Template?

I am interested in obtaining information about the adhesive-backed plastic templates mentioned by John R. Walley in his article in the October 1959 issue of AMERICAN BUSINESS, "More Office Space Through Planning." Can you tell me where these templates may be obtained?—E. H. WALTON, JR., *supervisor—building, Bridgeport Brass Company, Bridgeport, Conn.*

One company manufacturing such a label is Chart-Pak, Leeds, Mass.

More on Psychological Tests

I think your December issue story, "Professor Gulls Personnel Men With Phony Psychological Test," rates a reply.

It is inaccurate scientifically, and ridiculous from a personnel point of view.

Are you interested in 2,000 to 3,000 words in rebuttal?—HERMAN SLAVIN, *director, Guidance Associates, Plainview, N. Y.*

Please do. We welcome disagreement and want the other side of the story—if there is one.

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McGRAW EDISON

Computer Analyzes Costs, Sales For

BY *Roger Hathorn*
Business Writer

THE soaring growth of American manufacturing firms during the past ten years has put a strain on many a company controller. He has had to seek ways to process a growing flow of company records and means to supply better statistical reports that are needed to keep up with his own company's costs and sales as well as to analyze competition.

Fortunately, a parallel growth has occurred in the medium- and large-scale computer field—equipment that was unavailable to even the Nation's largest manufacturers only a few years ago.

But are the makers of goods—particularly in the medium-sized class—making proper use of technological developments in the computer field? Are computers bringing together the keepers of company records with the salesmen who sell the company's products? Are the "paperwork" departments keeping pace with company growth by providing better service at lower cost?

St. Paul Firm Is Typical

Some of the answers to these questions can be found in the experience of Economics Laboratories, Inc., St. Paul, Minn. This medium-sized (1959 sales were around $21 million) manufacturer of cleaning and disinfectant products has doubled its sales since 1954 and expects a similar growth in the next five years. It is typical of companies enjoying rapid growth in a highly competitive field.

To achieve this growth, points out Controller John L. Lundquist, Econ Labs must continually probe soft spots for introducing new products and must keep on top of sales trends. Important to staying abreast of competition, he says, are improved methods of fast, accurate sales analysis and inventory control.

"Conventional auditing equipment no longer answers the problem," states Lundquist. "A check of larger corporations revealed to us that most of them have at their disposal high-speed computers which not only reduce their cost of producing invoices, handling payroll, and other bookkeeping chores, but enable them to make rapid statistical analysis that can put a smaller competitor at a disadvantage."

To service these increased needs, Economics Laboratories in mid-1959 installed the first Remington Rand Univac Solid-State computer in the United States. Earlier in the year, Remington Rand had unveiled the new, medium-scale computer that performs similar functions of its large-scale predecessors but has the advantages of increased reliability, lower cost, reduced maintenance, lower power requirements, and less floor space.

When Econ switched to the Solid-State it got more than just faster action in processing invoices, handling accounts receivable, etc. According to Lundquist, vistas were opened that would mean cost savings in warehousing, new sales cost analyses, and faster action to meet sales competition.

Four Out of Five Rent

Econ, like about four out of five other companies with computers, rents its equipment rather than purchasing it. The primary reason is that rental costs are fully tax deductible. Also, the equipment may not prove adequate to the needs of a rapidly expanding company. A company that rents can switch to more modern computers as they are developed. A company able to foresee long-term use of a specific computer, however, might save by purchasing outright.

Shown above are the four units of the Solid-State computer (l. to r.): high-speed printer, central processor, high-speed reader, and read-punch unit. Working with the system are Bob Hain, manager of data-processing department; and E. J. Robinson, manager of systems and procedures department.

Medium-Sized Firm

The use of electronic computers by smaller companies was discussed in last month's issue of AMERICAN BUSINESS ("Don't Be Afraid of Computers," pp. 6-9). This article analyzes how a medium-sized firm ($21 million sales in 1959) depends upon EDP to prosper and grow in a highly competitive field.

Here is what Econ gets from its Solid-State. First, it is used to prepare invoices for the three sales divisions—retail, industrial, and institutional. The computer prepares some 25,000 invoices each month for Econ's 50,000 customers.

Bob Hain, manager of the data-processing department, notes that the computer's system of checks has reduced invoicing errors to .0035 percent. Forty-two possible human input errors (sample: if 12 items appear on a bill of lading, 12 should appear on the invoice) have been tabulated. If any of these occur, the invoice prints the word "void" repeatedly. A future innovation will indicate on the invoice exactly which of the 42 possible errors did occur.

Perhaps the most important new step made possible to Econ by the Univac is better sales analysis. Previously, when Econ used a Univac 60, monthly reports were not available until the fourteenth of the following month. Now these reports are available by the fourth of the next month.

Since advertising and sales plans are partly based on these reports, this additional speed is a definite advantage. In addition, analysis by product and salesman is possible. The Solid-State produces district, regional, and national summaries for all three company divisions. For the first time, monthly sales and profit contributions are computed for each territory.

Will Figure Gross Profits

A system will soon be inaugurated by Econ to figure gross profits per invoice. It will take into account production cost, freight cost, and commissions. The company pays all freight f.o.b. delivery. Eventually the company foresees a plan that will enable each salesman to share in the improvements he can make in his gross profits. Such an analysis by the company formerly was not possible due to the limitations of time and availability of previous equipment.

Another saving is foreseen by Lundquist as a byproduct of the Solid-State invoicing system. Company invoicing is done by bill of lading forwarded by the six plants and 65 warehouses throughout the country. As invoices are produced from the high-speed printer, the computer will continually bring warehouse inventory up to date. This will enable the production department to achieve daily control of all company inventory. A 25 percent inventory reduction and corresponding reduction of warehouse space are anticipated.

The computer also processes accounts receivable, monthly statements, agings of accounts receivable, salesmen's commission reports, factory production costs, accounts payable distribution, sales tax reports, and special cost of sales reports.

Projected uses of the equipment include market potential studies and analysis of warehouse locations by electronically comparing sales volume with distribution cost.

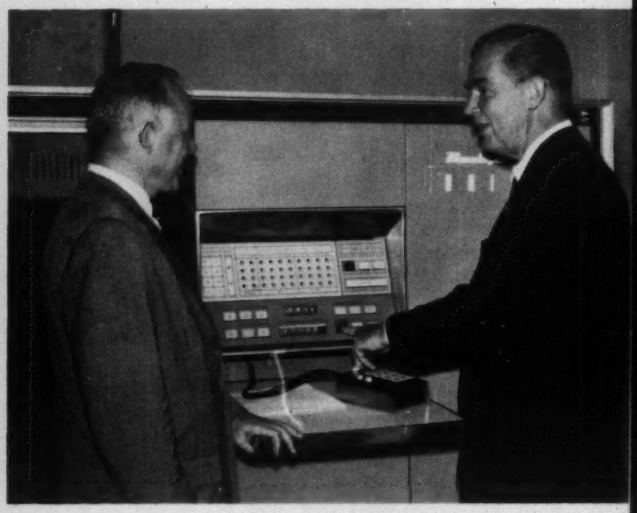
"In a highly competitive field such as ours we must know that present lines are profitable and where they are profitable distribution-wise," said Lundquist. "Most of our recent growth is attributable to the introduction of new products. On these we must know quickly how the profit picture is developing. The speed and greater analysis capabilities of the Solid-State computer enable us to compete more successfully with larger companies.

"One accomplishment in the computer age is to bring sales and auditing closer together in a company team effort. The giant brain not only performs the obvious functions of invoicing and inventory control, but through its ability to speed up sales analyses and to figure gross profits on each sale

Peripheral equipment of the system are the collating reproducers (front), interpreter (not visible), sorters (right rear), and Model 3 Tabulator with summary punch (left rear). All equipment is housed in one room on the second floor of the building.

A crane hoists units of Solid-State computer into Economics Laboratories offices in the Guardian Building, downtown St. Paul, Minn.

E. B. Osborne, president of Econ, presses button to inaugurate system as Marcel Rand, vice president of Remington Rand, looks on.



quickly, the salesman in the field quickly and logically acquires a personal interest in what happens in the controller's office.

Prints Invoices, P&L

"Formerly, when we used the Univac 60 and one tabulator for printing out, it took eight hours a day to produce 1,250 invoices. Now, with the Solid-State's high-speed printer, we can print a similar number of invoices and also get profit and loss statements per invoice, a daily sales summary, and inventory control—all in one hour. This leaves the equipment available for other jobs during the rest of the day.

"It used to take seven people 24 hours to run past-due accounts and statements. Now we use two people and they do the job in four hours."

The Solid-State leased by Econ Labs is housed in an area of only 575 square feet. The system operates on conventional wiring found in most buildings. The term Solid-State is derived from the fact that there is no vacuum or space within the transistor or Ferractor (magnetic amplifier). Dozens of these parts occupy no more area than a normal vacuum tube.

Another feature is the printed circuit card design which eliminates defective solder joints and loose terminal connections—problems that have plagued all computer manufacturers. Only eight different chassis cards comprise more than 90 percent of the entire complement required in the system. This construction reduces maintenance problems to a minimum.

The power requirement is approximately that of four household dryers. Because of the compact nature of the Solid-State system, no special reinforcing or raised floors are required.

The capability of any data-processing system, regardless of its type, is measured by its capacity to assimilate information, process it, and prepare some form of output document. The interrelated input-output units of the Solid-State make possible one-run operation.

Four Units in System

The system is composed of four units, the first of which is the 80- or 90-column high-speed card reader that operates at the rate of 450 cards per minute. This card input has the ability to time-share its operation with the central processor and other input-output units. Simultaneous operation is possible through buffering. Every card is completely read twice and compared to insure the validity of information.

The read-punch unit is a multiple-purpose machine that has the ability to read, to punch, or to read and punch and read again the combined results all in one card pass. The read feature has a double exposure in the buffer which verifies all input information. The speed of this unit is 150 cards per minute. It can prepare summary cards at a rate of 9,000 per hour.

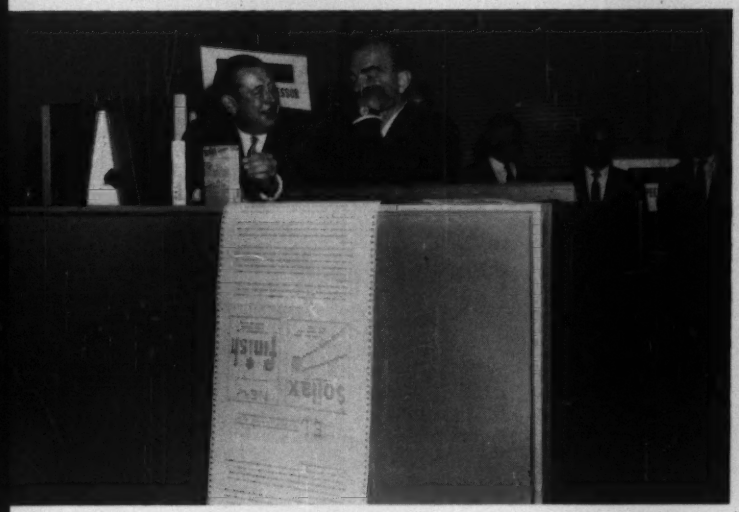
As with all the units of the Univac Solid-State, the read-punch unit time-shares its operation with the rest of the system. The buffer concept of data transfer eliminates the necessity of plugboards, wiring plugboards, and their inherent expenditure of time and money.

The high-speed printer is capable of maintaining an output of 600 lines per minute for extended periods, printing 130 characters per line, spaced six lines per inch. It has a full complement of alphanumeric characters plus 15 special or sign characters, any of which can be printed at each of the 130 character positions in any line. The entire format of the output is under direct program control and is completely flexible.

The heart of the system is the central processor. The speed of the high-speed printer and the processing rate of 600 cards per minute are significant only if they can be fully utilized and controlled by the central processor. Specifically, memory size, arithmetic speeds, and data transfer operations must be able to match the input-output power. The memory capacity of the Solid-State is 50,000 characters of information. The time needed to find a word on the memory drum depends upon the drum rotation speed and the number of locations or read-write heads on the drum.

To facilitate rapid access for current manipulations, one section of the drum has been equipped with high-speed access bands with four read-write heads instead of one. Therefore, the search to obtain any random information at a high-

Standing at high-speed printer during dedication ceremonies are Osborne (right) and Ralph Eidem of the management consultant division of Ernst & Ernst, Chicago.



Remington Rand engineers inspect the memory drum on which 50,000 characters of information are stored.

speed storage location takes only one-fourth the time of a search on standard access bands.

The Univac Solid-State can read or write a word in 17 microseconds. A microsecond is one-millionth of a second or, as one computer engineer jokingly explained it, "A microsecond is the time between a stoplight turning green and the man behind you blowing his horn."

Faster Than Eye-Wink

To put it another way, compare the speed of the Solid-State with a wink of the human eye. This action requires approximately 200,000 microseconds. In that length of time, the new Univac can perform 4,000 comparisons, 2,300 additions or subtractions, or 200 to 700 multiplications or divisions. Speed of this type formerly had been reserved for the more expensive large-scale and scientific types of computer.

Applied to a typical payroll-labor distribution run, the Solid-State can process approximately 72,150 cards for 6,000 hourly and incentive workers. The time needed to complete the computations and summarizations; print the paychecks and earnings statements; punch the new master, earnings, and other cards for such a job would actually be less than the time normally required just to print an equal number of paychecks with conventional equipment.

To give an idea of computer development, the first electronic digital computer, the Eniac, was a giant compared to the Solid-State computer. Eniac weighed more than 30 tons and occupied 1,500 square feet of floor space. The Solid-State computer weighs only 3,500 pounds and occupies a room of only 575 square feet, yet has more than 100 times the capacity and operates at 10 times the speed of Eniac. END

Customer file cards are kept in this room.

Product file cards (above) are used to print invoices.

Du Pont Measures 50-Year Growth

This article is based on one which appeared recently in Du Pont's "Better Living" magazine. The above photo shows the fivefold paperwork growth that occurred in just one of the company's departments since 1910.

CORPORATION tax experts who collect and analyze an office full of ledger sheets, work papers, and vouchers to prepare a single tax return can speak eloquently on one problem perplexing the business world today: the volume of paperwork that threatens to submerge both office and office worker. Beneath this flow of letters, memoranda, orders, bulletins, invoices, reports, work schedules, and directives rumbles an upheaval of great proportions.

Government regulations have required or encouraged businesses to become tax collectors, census takers, and social historians. Each function, moreover, requires enormous amounts of paperwork. The proliferation of benefit plans has converted employers into bankers, investors, insuring agents, caterers, and recreational directors for their employees.

Above all, the increased pace of competition in the marketplace has compelled managements to call for vast quantities of data—on sales, merchandising, inventory, research, production—to be delivered sometimes within a few hours.

As a result, office managers and technical supervisors have been hard put to keep up with paperwork demands. Although the number of office workers grew from less than 2 million in 1910 to nearly 10 million in 1959, needs have increased faster than the supply of office skills. To cope with the paper avalanche, and to reduce rapidly escalating costs, engineers have created exciting new machines that perform efficiently such time-consuming tasks as preparing payrolls, processing data, and storing and delivering needed information.

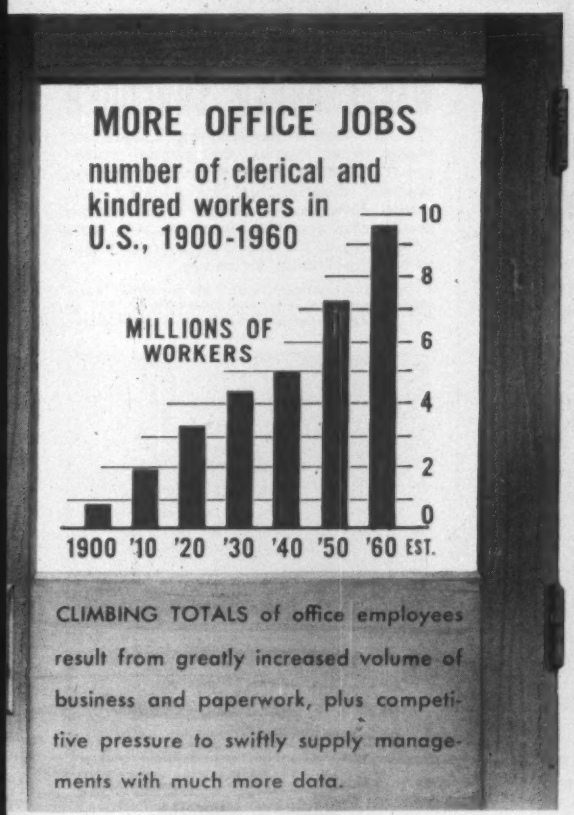
More Office Jobs

Many of these machines, moreover, can take on rapid calculations once impossible for human brainpower alone. Seizing on these benefits, business leaders now assign to office functions many tasks once impracticable. The results: although one machine may perform work many persons did before, the added tasks combined with the overall increase in business paperwork have created more office jobs —usually requiring greater training and higher skills and carrying greater pay.

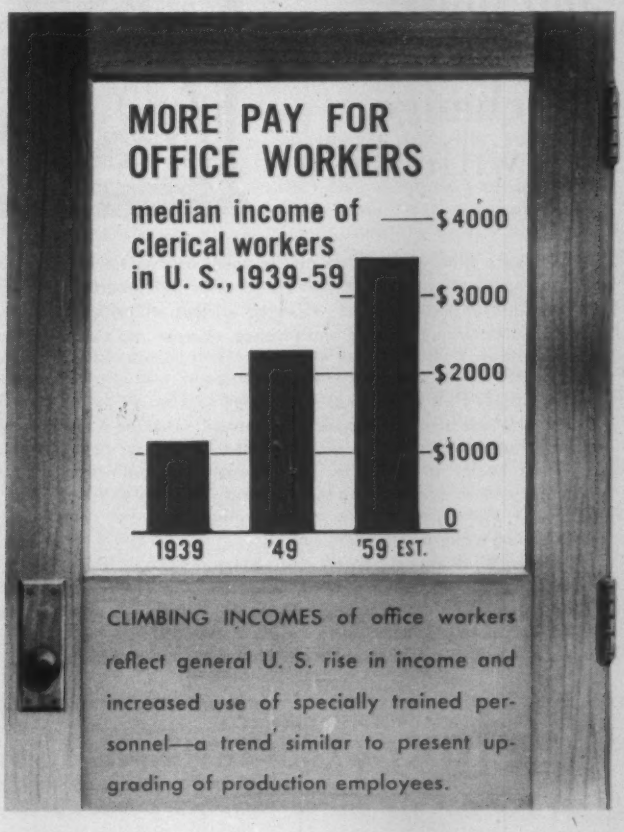
One seldom recognized reason why the American factory worker is one of the most productive in the world is that he has more supervision and more staff work to support him. This is readily seen in the increased numbers and enlarged roles of office workers.

In the constant competition for markets they backstop the production worker by supplying key information which permits better inventory control and more efficient production scheduling. As office and production processes become more interrelated, office workers are likely to become more an inseparable arm to production, accounting for a large part of the new jobs that industrial growth will create. END

f Essential Administrative Services



CLIMBING TOTALS of office employees result from greatly increased volume of business and paperwork, plus competitive pressure to swiftly supply managements with much more data.



CLIMBING INCOMES of office workers reflect general U. S. rise in income and increased use of specially trained personnel—a trend similar to present upgrading of production employees.

2,000 Executive Openings Estimated for 1960

NEW YORK—Good news for the ambitious executive in 1960: the average medium-sized company will have an opening that will pay $10,000 or more for the right man.

According to a nationwide survey of 1,700 firms whose sales are from just under $1 million to $40 million, a majority of these positions will be newly created jobs rather than replacements. Most opportunities will fall to the executive with sales or engineering background.

The findings were announced by William A. Hertan, president of Executive Manpower Corporation, New York, which sponsored the poll mailed to chief executives of the participating companies. The 12-question survey drew 157 replies (a 9.3 percent response) that showed that 191 top jobs would be available from now until May 1960. A projection of this ratio points to expectations of slightly more than 2,000 executive positions to be filled among the firms receiving the questionnaire.

The great majority (87.8 percent) of the management openings will fall within the $10,000 to $20,000 salary category, the results showed. Some 10 percent of the jobs will pay a solid $20,000 to $40,000 a year and 2 percent will pay a lucrative $40,000 or more to upper-echelon executives.

Despite the effects of the prolonged steel strike, participating companies apparently look forward to continued expansion because 69 percent of the management jobs will be newly created. The balance were slated to be replacements of expected vacancies.

During the past year, these firms had to go outside the company just about as often as not to fill posts paying from $10,000 to $100,000. The survey showed 50.5 percent of the positions were filled from men picked "outside the company." This real need to seek talent elsewhere was reflected by the discovery that most firms (54.8 percent) of moderate size do not have a management development program. END

Times change...

and office supplies change with them

There was a time when office management *had* to be satisfied with so-so carbon papers—there was no other available. But progressive carbon paper manufacturers—like Kee Lox—changed all that with such improvements as coated backs, varied weights and finishes, sharper and cleaner writes, longer wear, stronger tissues. Today all good carbon papers have these features.

Yet there's one—and only one—carbon paper that offers much more—and that is Grip-N-Pull by Kee Lox. For added to what all the others offer, Grip-N-Pull provides also (1) Automatic alignment—making it easier and faster to prepare the manifold set for the typewriter, no matter how many copies . . . especially helpful in legal size. (2) Automatic rotation—carbon paper rotates with every make-ready of the manifold set. This means longer wear, uniform copies. (3) Automatic warning of last typing lines—and what a boon this is, even to long experienced operators.

Grip-N-Pull is also extremely clean to handle. So, in Grip-N-Pull you have a carbon paper that is not only up to but ahead of the times. That's why enlightened modern management sees in Grip-N-Pull a way to greater office economy,* more efficiency, and a means of making office work easier and more pleasant. Write for free samples on company letterhead.

*Grip-N-Pull costs no more than ordinary good carbon.

KEE LOX MANUFACTURING COMPANY
Dept. AB-20, Rochester 1, New York
"Our Sixtieth Year of Good Impressions"

THE SHRED ALL WASTE PAPER SHREDDER

Quickly shreds newspapers, magazines, waste paper, tissue, cellophane, corrugated cartons, wax paper, etc., into uniform resilient strands ideal for packing purposes. Especially adapted to shredding confidential records, blueprints, etc., permitting the return of this high-grade paper to the paper mills, for re-use.

Compact, economical, safe. All revolving parts are covered. Instantly adjustable. Shreds 1/8" to 3/8". Designed for continuous and trouble-free service.

FREE TRIAL
Operate a SHRED ALL 30 days. If not satisfied—return—owe nothing.

UNIVERSAL SHREDDER COMPANY
SAGINAW, MICHIGAN

Control Your Personal Time Better To Get More, Better Work Done

BY *Ray Josephs*

The author utilizes his own time by dictating in flight. Looking on is his wife who accompanies him on overseas trips.

Blending the experience of many highly productive executives with his own insights and findings, a highly productive author points out some practical ways you can sharpen your executive efficiency. He explains a technique for analyzing how you spend your day. He shows how to select the really important parts of your job to concentrate on. He tells you how to plan your work and work your plan. Lastly he suggests ways to organize your desk, office, and reading to minimize paper-shuffling.

ALMOST every executive can increase his administrative efficiency by more careful management of his most precious asset—time—and by developing an "instinct for the jugular" through consciously applying himself to the strategic requirements of his job.

One of the first steps in this streamlining process is a do-it-yourself job profile. There are many advantages to this. Even if you think you know exactly what you are doing, getting the details down on paper enables you to size up the whole picture of your activities in objective focus. It may provide evidence that your workload is impossible for you or anyone else to handle singly.

A good job profile may show you how the welter of daily detail has put you in the position of not seeing the forest for the trees. Spotlighting what you are doing in relation to the overall organization pattern can frequently give you an entirely new outlook—and a new appreciation of the relative importance of the various tasks on which you expend your time.

A proper, objective analysis can serve as a blueprint for the kind of experience, training, background needed to best fill it; aid you in finding a successor so that you can move up.

To aid you in setting down your own job profile, Stanley Arnold, widely known merchandising authority, suggests sketching out your own preliminary notes as a basic guide, explaining: "These can be as rough as you please—but bear in mind that you will want to refer to them later as you get into the essential specifics."

To turn from general factors to the immediate daily range of your activities we must examine how you specifically carry them out and how you might streamline them tomorrow. All this adds up to a personal workload analysis.

Bernard L. Salesky, president, The Hat Corporation of America, explains that the best way to streamline your daily workload is to start with your own personal time study analysis. The more you know about what you do, the more accurate your time check.

Most executives, young or old, resist such studies. Many say: "I'll do it when I have a little more time." The fact is they never will, for they already have all the time there is.

Others hold back, explaining: "Why bother—it won't do any good anyway." Others start ambitiously, keep records briefly; then drop the project.

Resolve here and now to start

and follow through on your personal time study analysis. The rewards can be immeasurable.

Happily, there's a four-page study you can obtain absolutely free from the Small Business Administration, U. S. Department of Commerce, to help you make your self-survey. "Surveying and Controlling Executive Time" is available from the SBA in Washington, D. C., and from local field offices of the SBA or the Department of Commerce.

It was prepared by Lee Patrick Chapman, director, Executive Time Studies, Inc., Pasadena, Calif. He developed an inventory form which breaks down the normal working day into 15-minute segments. A quarter of an hour is the best unit in which to record an executive's activities, Mr. Chapman believes. Smaller subdivisions get too detailed; anything larger does not record with enough precision.

The 15-minute segments are placed line by line down the form from 9:00 to 4:45, with extra space before that working day and after. Vertically, the form is divided into six narrow columns. Three have headings—"Routine Office Activities," "Indirect or Outside Time," and "Unaccountable Time"—and three columns have no headings. The latter provide space for descriptive classifications of your own making. On the right-hand side the form has space for notes and memos.

As you go through the day, put a checkmark in the slot under the appropriate columnar heading after every quarter of an hour. To convert the data into hours, simply add the checkmarks in each column and divide by four. The SBA report contains another form on which you can post weekly and monthly totals. Mr. Chapman recommends that you carry on this process for 12 weeks.

In any case, it takes only a few minutes daily to keep your personal time survey. Once you've gotten your facts on paper, you are in a position to really know if your time allocations are suitable or unsuitable. Or whether you are actually doing first things first, and making sure your activities are actually serving your major goals. After reappraising your major goals, spell out the steps you believe are necessary to attain them.

Avoid setting so broad a plan that it is unrealistic. The same difficulty confronts anyone trying to set down, at one fell swoop, all the long- and short-range objectives necessary for the most effective realization of your goals.

A more practical way: Start gathering notes during the next week or two. Each time you think of a goal and an accomplishing step, set it out on a three by five card or record it in a special notebook. For self-clarification put major goals in capitals, others in lower case. If your plan has broader aspects, file folders can help.

My book—*Streamlining Your Executive Workload,* Prentice-Hall, Inc., 1959, 203 pp., $4.95—for example, was so planned and organized. First an outline was prepared. New ideas were added over a period of several months. The file folders were established for each tentatively named chapter. Into these went fragments—notes, clippings, tearsheets from books and magazines, copies of reports, photostats, phrases. Then these were written out and edited into more logical and consistent form. Next followed editings and re-editings. After this, the final result.

Plans Are Important

"He who every morning plans the day's transactions, and follows out that plan, carries the thread that will guide him through the maze of the busiest life. But where no plan is laid, where the disposal of time is surrendered merely to chance, chaos will soon reign."

That quote comes not from any management consultant or time-and-motion-study expert, but from one of the most prolific of all writers, Victor Hugo.

"Planning looks ahead for a considerable period to relate all work elements necessary to achieve your objectives," states George Weissman, vice president, Philip Morris, Inc., noting: "Scheduling, on the other hand, gets right down to the immediate problem—how to best handle your workload in the next hour, the next day, the day following. Your schedule must be, in effect, your day-to-day plan—effectively conceived, constantly carried forward, and designed to do a job for you."

British author C. Northcote Parkinson says: "Too many executives find their workloads heavy because they are unable to schedule, evaluate, and coordinate their daily tasks—and keep themselves loaded with trivia. They may not think everything they are doing so unimportant—but they are first to notice the minor matters with which other executives fill their day."

We all know others who fall in this pattern. We are all convinced that we never do it ourselves. Or do we?

Once you have developed a method of analyzing your own executive workload in 15-minute segments, you are ready for the next step. Divide your tasks into the truly essential, the important-if-time, and the basically nonessential aspects. Note the approximate time you have been spending in each. On a sheet of paper list these categories from your own previous record.

In the nonessential column, you will probably find two types of items:

1. Things you like to do.

2. Things you don't like to do, but are doing either by habit or because you haven't figured how to stop doing them, or how to get someone else to do them.

Remember, most executives tend to spend disproportionate amounts of time on business activities they like to do, or do best.

Before you can really set up a good schedule, you must measure everything that you do with one yardstick:

"Could I dispense with this job altogether?"

After you've answered this point, then: "How can I cut this job down so that it will take less time and less effort?"

Your first reaction is likely to be that you're already doing everything in the least possible time. But

consider! There are probably many things you are presently doing that you could avoid doing, do less of, do more quickly and effectively, or delegate.

Top executives like Robert J. McKim, board chairman of Associated Dry Goods Corp., one of the nation's leading department store groups, stress that this selection can not be made at one time and followed unchangingly noting: "Actually, determining what is essential and what is not, what should get priority and what goes to the bottom of the list, must be constant—as frequently as every day, at least every week, and on long-range basis, certainly every month.

"Re-evaluation helps you avoid the common mistake of rushing to do the thing which seems to be an immediate emergency—but which measurement against basic objectives shows is really less important than activities already under way."

"Once you have determined essentials and nonessentials your next step is to apply the work-simplification formula to each of the former," adds Samuel Silverman, director of marketing, Princeton Mills. This requires getting exact information on your regular tasks. Is it necessary? Have you asked yourself why, how, who, what, and where?

Should the task be done? Is there a reason for doing a specific job where you are doing it? Would it be better to go to get information than have it brought to you?

Must you perch at a desk to mark certain papers when you could use a clipboard and relax in a comfortable chair?

Does the file cabinet have to be on the far wall when it could be placed so that you could get to it without leaving your seat or calling your secretary?

Is your telephone so placed that each call means leaning out of your way? Putting it on a table or bookshelf behind you might be more comfortable.

Some of these are admittedly minor points. Yet it is amazing how many executives have set themselves up in uncomfortable, ineffective settings simply because that is the way things were set when they first moved in. Or all the offices are set up a certain way. Or because the setup works well for somebody higher up and therefore is automatically passed along.

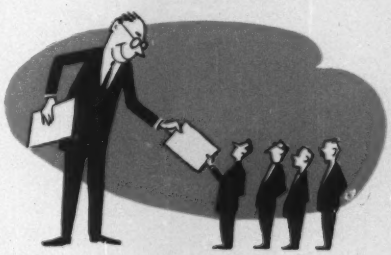
When should the task be done? Often we follow the routine of going through the mail, setting up meetings, planning out-of-town trips, and accepting appointments at the least convenient time. The executive who tells a caller to set his own time usually lacks an effective schedule or wants somebody else to make his decisions. Not everybody can follow your desires—but when the choice is left to you, make things work for your needs.

Who should do it? Are you the logical person to handle each of the jobs on your essential, "maybe," and nonessential lists?

Could an assistant do it as well—or almost as well?

Will professional aid help?

What is the best way to do it?



Are you doing a lot of unnecessary running around to get a specific job done? Following old-line systems for handling reports, correspondence, recommendations, not taking advantage of new, improved work-simplification techniques?

After you have broken down your routine operations, questioning each detail—preferably in writing—then you are ready to set up a new method.

Basically, you'll find it consists of one or all of these steps:

1. Eliminating unnecessary details.

2. Combining two or more tasks.

3. Systematically rearranging the job order for better sequence.

4. Simplifying all incidental details.

5. Preplanning to make ready for the next assignment.

These five steps can apply to everything from telephone calls to progress studies; from expense control analyses to customer visits.

At the end of each day it is wise to follow the method of Mrs. Eleanor Roosevelt who told me:

"Try to take a 10-minute period to go over your schedule for the following day. You'll find it helps you end on a note of freshness and zest rather than apprehension over the morrow. And you'll have less concern about your office when you get home. For you will feel you are already organized for the next day."

Once you have filled in the data on your activity analysis sheet, Leo Cherne, of the Research Institute of America, recommends analyzing your time expenditure by means of a color code.

Use one color, say red, for all contacts with your superiors.

Use a second, say blue, for all contacts with subordinates, assistants.

Use a third, say green, for all administrative tasks. Include correspondence and reports. You may find you will have to break these down even further, although these are typical. Your work may require other categories. Give each its own color.

Now collect colors. Then make it a general rule to perform the same types of work in sequence rather than at different periods. This has the effect of saving considerable "make ready" time. For example, you avoid walking back and forth between the same offices, eliminate effort duplication. On some occasions you will deliberately want a change of pace—choose an item of a different color to relax your nerves and mental muscles.

Also take into account the need for separating high-pressure tasks by easier work intervals; i.e., space apart a series of sessions with subordinates by interposing light administrative jobs.

Among your uncoded material, look for such personal time expenditures as casual colleague conversations. If possible, shift these so they don't break up a color sequence. Your aim must be to enlarge as much as possible the time span you can devote uninterruptedly to a given task.

Your color code can tell you at a glance the relative time you are giving contacts up the line, contacts with subordinates, administrative duties, and so on. Concludes Mr. Cherne:

"No rule of thumb can tell you how much is too much or too little. Your knowledge of your own responsibilities is your only guide."

Bernard Baruch, who has gained an international reputation as an adviser to Presidents, advocates completion of one task before moving to the other, explaining:

"I find my greatest timesaver is to do one thing at a time and stick to it until it is finished. I have never

been able to do two things at once. Some people can, and very well. It takes mental discipline not to leave a job half done, but in my opinion, if you learn to finish, you will use time and energy to the best advantage."

Jerry Fields, head of Jobs Un-Limited, widely known placement agency, believes "Trying to do all your tough things at one clip is like following a home stretch pace all through a race. It is hard to keep up. When long distances are to be covered, you have to adjust and vary your speed. One good rule: Take a 10-minute variation of tasks after each of the first three hours of your workday; 15 minutes after the fourth. Note the phrase 'variation of tasks.' That doesn't mean a rest period. Variation often gives the same results—and yet you are using the time for greater accomplishment."

Of "mental fatigue" experts agree there's really no such animal, even if you have multiplied numbers all day in your head. Actually, they claim, what you are experiencing is a revulsion to the monotony or dislike of the work. Hence, changing from one particular task to another—within the general activity framework—can help overcome and avoid these mental slumps.

Frequently we run into periods when we have even more than the usual to do in less time than is generally available; tasks that literally cry out for an extra 30 minutes or an hour.

When that happens, you might try the advice of Robert B. Smallwood, long-time president of Thomas J. Lipton, Inc., leading tea and food processor. He says:

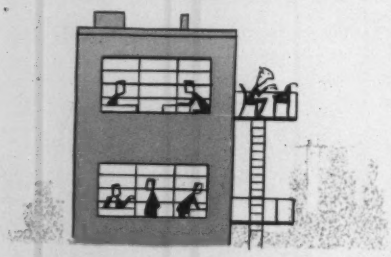
"On extremely full days try eating a heavier breakfast. Skip lunch until 3:00 p.m. This gives you six uninterrupted hours. You eliminate time usually wasted winding up your morning, waiting for a table or service during the busy lunch hour, and the post-lunch effort. Your midday time is also likely to have fewest phone and other interruptions.

"Or you can eat a heavy late lunch and not dine until 8:00 or 9:00 p.m. Thus you avoid the rush traffic home, get the quiet of an unoccupied office or shop. And you are still in the very space where you have been going strong. With this system, you can frequently complete jobs which would otherwise take you two or three regular days.

"Of course, you can't follow this schedule every day. But used with discretion, the straight-through schedule can often make available a whole string of uninterrupted extra hours for you."

Desk, Office Organization

Leland Hazard, vice president, Pittsburgh Plate Glass Co., keeps a constant check on his to-do list via a unique schedule. On his glass desk slab each morning awaits him a specially printed form with three columns of six rectangles each. When an actionable matter comes to his attention, he makes a brief, identifying note in one rectangle.



Once disposed of, the rectangle is X'ed in. Items not finished by day's end are copied over by his secretary, forming the left side columns on the next day's sheet.

"It not only divests my mind of details," says Mr. Hazard, "but if I am called away suddenly, my secretary turns the list over to my aide. He may have to call me on the phone in following through, but I am putting subjects into a mill I know will grind on whether I am there or not."

Although it is necessary to stick to your schedule, it is also possible to take liberties with matters of secondary importance, once you have gotten into the swing.

James E. Robison, president, Indian Head Mills, has what he calls a "procrastination drawer" for minor items: "Previously, I thought I had to settle everything the minute it came up. Now I toss less immediate items into this special drawer. When it is full I go through and find to my surprise and pleasure that 75 percent to 90 percent of the small but irritating problems have solved themselves. Of course, if something goes wrong, there may be the devil to pay. All this is a matter of personal judgment—and to a degree it depends on your executive level. But it may have applicability."

Instead of getting emotional about paperwork, concentrate on converting paper from a headache to a utility, and on streamlining its use and effectiveness.

1. Your Incoming Basket: May consist primarily of individual reports, letters, notes, outside and inside communications, all requiring handling. Start by:

A. Separating the routine from the unusual: It is surprising how many executives are so intrigued with correspondence they insist on opening their own mail. I knew the head of one $50-million-a-year company who had to tear open the order-bearing envelopes to "get the feel" of how business was coming in. Perhaps it worked for him, although he later abandoned the idea. His time—and yours—is too valuable for this.

B. Spotting internal communications: Using special colored paper so you can instantly sight various categories of internal material will give you a good immediate start.

C. A desk sorter to separate incoming correspondence either by subject, date on which you want to give it attention, or other similar category, is useful.

2. Eliminate the Paper Shuffling: Doug Coyle, senior account executive at Kenyon & Eckhardt, gave this advice:

"Don't hold on to papers. When you receive a letter, report, or other communication, do something with it. Read it, chuck it out, write an answer—but do something, not simply put it aside to come back to later."

If a report or recommendation is too lengthy for immediate reading, and requires no immediate attention, Coyle gets it off his desk by tossing it into his briefcase to be read train-riding to and from his Connecticut home. He says he can read in 15 minutes on the train what it takes an hour or so to do with office interruptions.

Ruben Kritzik, treasurer, General Merchandise Co., the nation's largest wholesale mail-order business, also recommends the system of one-time handling, commenting:

"Immediate replies and decisions wherever possible eliminate review and rereading. It is this that takes up so much of an executive's time. And the fact is that most of the second guesses on these minor problems are no better than the first."

3. Setting Your Own Priority System: As noted elsewhere, tackling most important problems first

(Continued on page 35)

This time...out of stock! Next time...out of mind!

Pity the poor salesman! Arthur's one of the best—and he's got a great line, too. Yet he's losing his customers fast!

Arthur's company, you see, makes many products and has many branches. Catalogue item #436 may not move much in Los Angeles or Dallas, but in Arthur's territory it's hot. Trouble is, the home office doesn't seem to realize it. Shipments are slow and sporadic. Customers complain. And sooner or later they take their business to competition.

Here's a situation that could have been prevented with Automatic Keysort Data Processing. With Automatic Keysort, the home office could have had daily information on sales in every branch...would have been equipped for fast, complete analysis of these figures. Knowing *what* was being sold *where* —and the state of each branch's inventory—management could have moved fast to supply Arthur with what he needed and insure a profitable return for all concerned.

Automatic Keysort's easy-to-use machines and punched cards require no specialized personnel, no restrictive procedures. Designed to fit your business as it stands and as it grows, Keysort will give you all the fast, accurate information you need for modern management control of every operation. And at remarkably low cost.

To learn more about Automatic Keysort Data Processing, call your nearby Royal McBee Data Processing Representative, or write Royal McBee Corporation, Data Processing Division, Port Chester, N. Y. for brochure S-500.

ROYAL McBEE · *data processing division*

NEW CONCEPTS IN PRACTICAL OFFICE AUTOMATION

Underwood Cuts Inventories 50 Percent

BY *Herbert A. Fraenkel*
Manager, Systems Planning Division
Underwood Corporation

A NEW METHOD of distribution, based on a paperwork control system using duplicating, has enabled Underwood Corporation to reduce branch and dealer equipment inventories by 50 percent. At the same time, the firm provides faster delivery with less effort and expense.

These seemingly paradoxical accomplishments were brought about by concentrating all field stocks of typewriters, adding machines, and accounting machines in five strategically located warehouses. Deliveries are made directly from the warehouses, which are near major industrial centers and shipping terminals.

Duplicating System Is Key to Control

The method of reproduction is the key to the control of distribution. One writing of basic information produces all documents needed to pick, ship, initiate billing, and record the equipment transaction. The new system is the result of a search for a way to provide prompt equipment delivery while clerical time, paperwork, and duplication of effort are minimized.

Prior to the organizational change, more than 100 branches and almost 600 sales agencies were required to maintain their own inventories and try to make deliveries from them. An increasing selection of typewriters, adding machines, and accounting machines with variations in color, size, pitch, type, and keyboard styles made it difficult for a branch or agency to supply from its own shelves the exact model the customer selected.

The branch or agency then had to call upon other branches to locate the desired model or had to order from the factory. This resulted in lost time, unnecessary paperwork, duplication of effort, misleading inventory levels, and communications confusion.

Advantages of New System

Underwood's new distribution method and paperwork system have produced the following advantages:

1. Total field inventory levels at warehouses, branches, and sales agencies have been reduced 50 percent, thus minimizing inventory paperwork and investment in stock;

2. The variety of equipment immediately available to a customer has been widened considerably;

3. Tighter control has been gained over movement of inventory and allocations of equipment. We know at all times where a model is and in what quantity. If manufacture of a special machine is required, we can complete paperwork and have the order in production within 24 hours;

4. Production has been scheduled with greater accuracy since we no longer have to depend upon branch and agency estimates of inventory needs;

5. Service costs have been reduced at branches and agencies. Predelivery inspection and adjustments are made at the factory under tightly controlled, uniform inspection standards;

6. Receipt of payment has been expedited by our ability to invoice orders immediately after shipment from field warehouses.

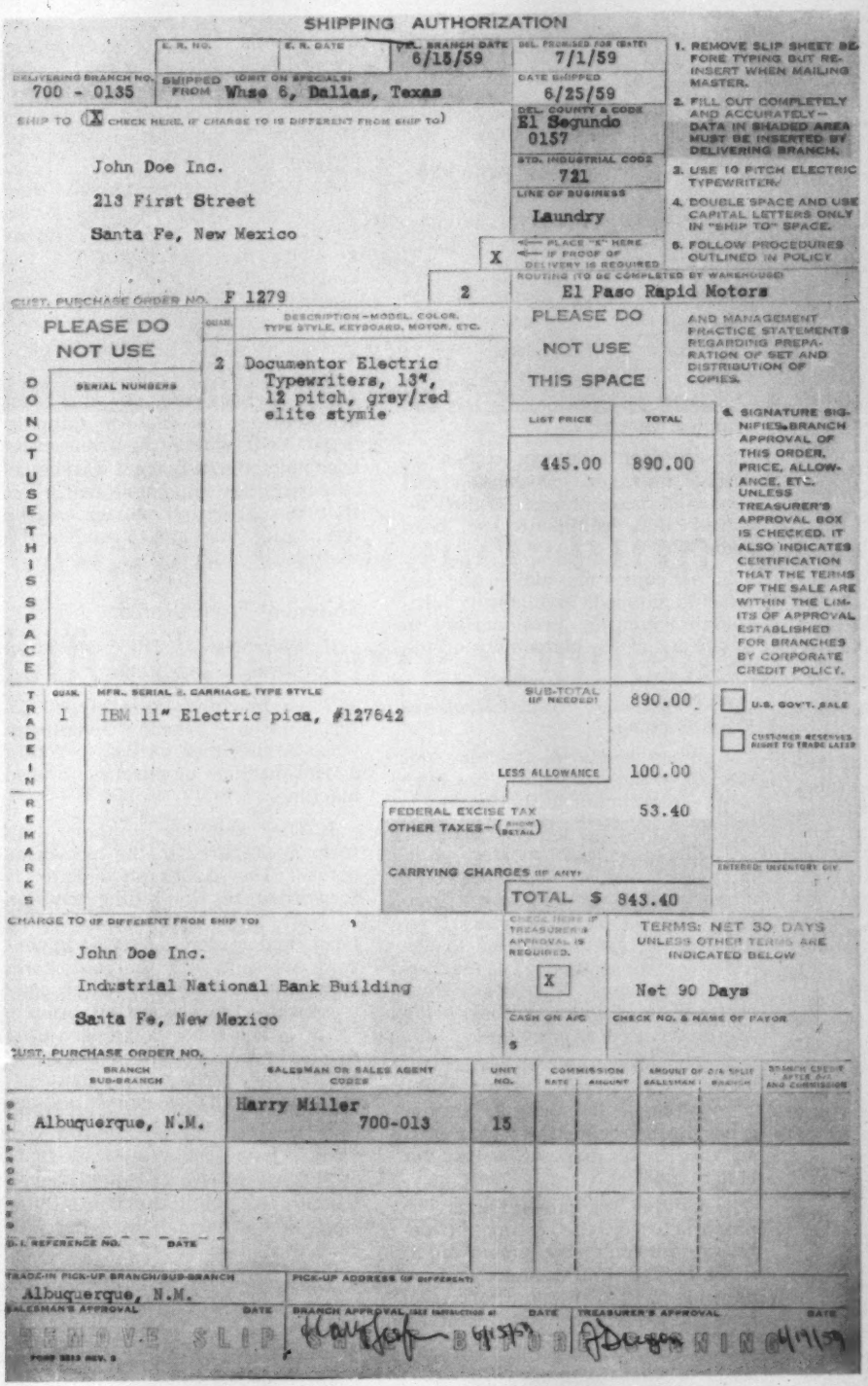
Basic Information Written Once

The multipart shipping authorization form filled out by typewriter at the branch is the feature around which Underwood's control system is built. One part of the form is an A. B. Dick Azograph master. This master is used to duplicate all future paperwork in the system without rewriting basic information.

Many types of sales and shipments can be effected with the same basic form. We can deliver stock machines from warehouses or branch inventories, sell reconditioned equipment, order special machines,

ABOVE: The author in his New York office. RIGHT: the shipping authorization form used by the Underwood Corporation to speed delivery, reduce inventories.

With New Distribution Method



SHIPPING AUTHORIZATION

E. R. NO. | E. R. DATE | VER. BRANCH DATE 6/18/59 | DEL. PROMISED FOR (DATE) 7/1/59

DELIVERING BRANCH NO. 700 - 0135 | SHIPPED FROM (CRIT ON SPECIALS) Whse 6, Dallas, Texas | DATE SHIPPED 6/25/59

SHIP TO (X CHECK HERE IF CHARGE TO IS DIFFERENT FROM SHIP TO)

John Doe Inc.
213 First Street
Santa Fe, New Mexico

DEL. COUNTY & CODE El Segundo 0157
STD. INDUSTRIAL CODE 721
LINE OF BUSINESS Laundry

X <-- PLACE "X" HERE IF PROOF OF DELIVERY IS REQUIRED

1. REMOVE SLIP SHEET BEFORE TYPING BUT REINSERT WHEN MAILING MASTER.
2. FILL OUT COMPLETELY AND ACCURATELY—DATA IN SHADED AREA MUST BE INSERTED BY DELIVERING BRANCH.
3. USE 10 PITCH ELECTRIC TYPEWRITER.
4. DOUBLE SPACE AND USE CAPITAL LETTERS ONLY IN "SHIP TO" SPACE.
5. FOLLOW PROCEDURES OUTLINED IN POLICY AND MANAGEMENT PRACTICE STATEMENTS REGARDING PREPARATION OF SET AND DISTRIBUTION OF COPIES.
6. SIGNATURE SIGNIFIES BRANCH APPROVAL OF THIS ORDER, PRICE, ALLOWANCE, ETC. UNLESS TREASURER'S APPROVAL BOX IS CHECKED. IT ALSO INDICATES CERTIFICATION THAT THE TERMS OF THE SALE ARE WITHIN THE LIMITS OF APPROVAL ESTABLISHED FOR BRANCHES BY CORPORATE CREDIT POLICY.

CUST. PURCHASE ORDER NO. F 1279 | 2 | ROUTING (TO BE COMPLETED BY WAREHOUSE) El Paso Rapid Motors

DO NOT USE THIS SPACE

PLEASE DO NOT USE THIS SPACE

SERIAL NUMBERS	QUAN.	DESCRIPTION—MODEL, COLOR, TYPE STYLE, KEYBOARD, MOTOR, ETC.	LIST PRICE	TOTAL
	2	Documentor Electric Typewriters, 13", 12 pitch, grey/red elite stymie	445.00	890.00

TRADE IN

QUAN.	MFR., SERIAL #, CARRIAGE, TYPE STYLE
1	IBM 11" Electric pica, #127642

REMARKS

SUB-TOTAL (IF NEEDED) 890.00
LESS ALLOWANCE 100.00
FEDERAL EXCISE TAX 53.40
OTHER TAXES—(SHOW DETAIL)
CARRYING CHARGES (IF ANY)
TOTAL $ 843.40

☐ U.S. GOV'T. SALE
☐ CUSTOMER RESERVES RIGHT TO TRADE LATER
ENTERED INVENTORY QTY.

CHARGE TO (IF DIFFERENT FROM SHIP TO)

John Doe Inc.
Industrial National Bank Building
Santa Fe, New Mexico

CHECK HERE IF TREASURER'S APPROVAL IS REQUIRED. X

TERMS: NET 30 DAYS UNLESS OTHER TERMS ARE INDICATED BELOW

Net 90 Days

CASH ON A/C. $ | CHECK NO. & NAME OF PAYOR

CUST. PURCHASE ORDER NO.

BRANCH SUB-BRANCH	SALESMAN OR SALES AGENT CODES	UNIT NO.	COMMISSION RATE	COMMISSION AMOUNT	AMOUNT OF O/A SPLIT SALESMAN	AMOUNT OF O/A SPLIT BRANCH	BRANCH CREDIT AFTER O/A AND COMMISSION
Albuquerque, N.M.	Harry Miller 700-013	15					

D. I. REFERENCE NO. DATE

TRADE-IN PICK-UP BRANCH/SUB-BRANCH Albuquerque, N.M.
PICK-UP ADDRESS (IF DIFFERENT)

SALESMAN'S APPROVAL DATE | BRANCH APPROVAL (SEE INSTRUCTION 6) DATE | TREASURER'S APPROVAL DATE

REMOVE SLIP SHEET BEFORE TYPING 6/19/59

FORM 3813 REV. 5

and effect delivery of equipment ordered by one branch for delivery in the territory of another, to name a few. The form also allows us to handle any variety of terms that can be applied to a sale.

The majority of shipments, however, fall into three major categories. These are shipment of stock machines from warehouse to customer, shipment of special machines from factory, and shipment of stock machines from branch inventories.

In all cases, the shipping authorization form initiates the transaction. Though additional forms may be necessary before final delivery, data are reproduced from the Azograph master without repetitive writing.

No special skills are required to type the master form or duplicate copies. Detailed directions on the right-hand margin of the form ensure complete data entry. In addition to spaces for sales analysis information, equipment, price, and terms, the form has space for sales and commission distribution data to be used when sales credits and commissions are split between territories.

Here's How System Works

Here is how Underwood's distribution system works with each of the three major categories of shipments:

A. Shipment of Stock Machines From Warehouse to Customer.

1. After a sale a shipping authorization form, with the original sales contract as an information source, is typed by the branch. The seven-part form has an Azograph master in first position, a gummed label, order picking copy, customer acknowledgment copy, home office cash copy, delivering branch hold copy, and requesting branch hold copy, with carbons interleaved.

2. Copies are distributed as follows: the master, shipping label, and order picking copy are forwarded to local warehouse; other copies are sent to their respective destinations.

3. Upon receipt of its three copies of the shipping authorization form, the warehouse prepares and picks the order and arranges for shipment. Routing of the equipment is entered in spaces on the order picking copy and shipping label. An order-picker glues the label on the carton and writes equipment serial number on order picking copy. Serial number, routing, number of pieces in shipment, date shipped, and warehouse indication are entered on the Azograph master.

4. The master is placed on a fluid duplicator and the following copies are run on color-coded, preprinted forms:

a. Home office billing copy—sent to billing division to initiate invoicing;

b. Inventory copy—sent to inventory division for inventory control;

c. Bills of lading—three copies sent to shipping;

d. Extra memo bill of lading—when proof of shipment is required;

e. Warehouse copy—for posting shipment to daily summary used in inventory control;

f. Customer record card—sent to delivery branch;

g. Packing list—attached to shipping carton;

h. Shipment advice—copies to notify manager, salesman, and service division of each branch involved that shipment has been made.

5. All copies are mailed the day order is shipped. Invoicing is initiated immediately upon arrival in New York of the home office billing copy.

B. Shipment of Special Machines From Factory.

1. When a special machine not stocked in the warehouses has been sold, the shipping authorization is prepared at the branch as before.

2. The Azograph master, shipping label, and order picking copy, along with keyboard chart and specifications of other special requirements, are forwarded to the order control section of the marketing department in New York. Other copies of the shipping authorization are distributed as previously.

3. The order control section reviews the equipment requirements. If equipment is available in another branch which requested assistance in its disposal, a transfer is arranged.

4. If the equipment must be manufactured, the estimated delivery date and an equipment requisition number and date are entered on the shipping authorization master by the order control section.

5. Copies of the equipment requisition, which is in effect an order for the factory to produce the machine, are duplicated from the Azograph master on preprinted forms sets, color-coded to expedite production. White stock is used for standard typewriters, for example, and yellow stock for electrics.

The copies are: assembly department copy, production coordinator copy, parts order section copy, line start notice, factory type department copy, factory accounting copy, branch delay notice, order control production notice, acknowledgments for delivering and requesting (if applicable) branches, and order control file copy.

6. All but the last three copies are forwarded to the factory at Hartford, Conn. Acknowledgment copies are distributed to the branches. The file copy and order picking copy are retained by order control to await receipt of the production notice from the factory. Then they are filed.

7. The master and shipping label are sent to the factory shipping department where the transaction is completed as a normal warehouse shipment. An important feature is that the Azograph master can be used again, this time to produce the warehouse shipment copies.

Shipment From Branch

C. Shipment of Stock Machines From Branch Inventories.

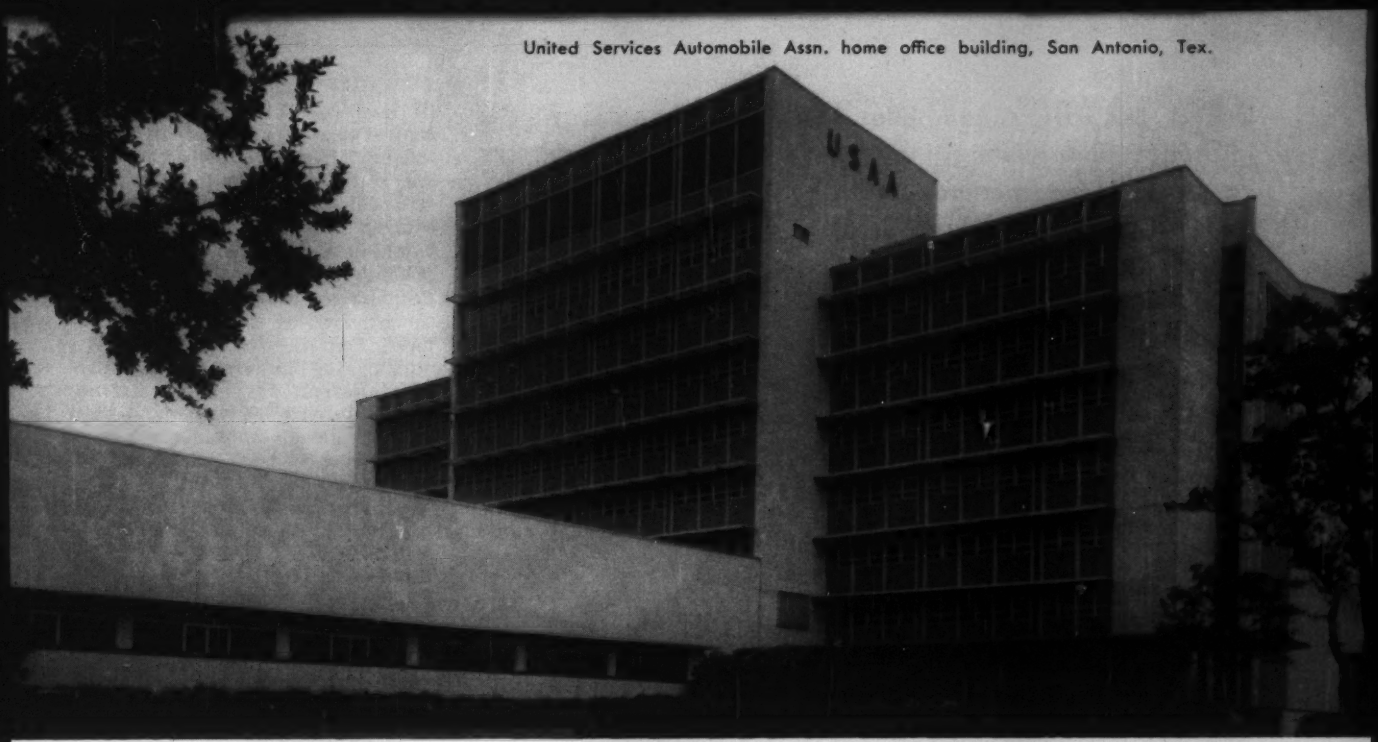
Stock machines are shipped directly from branch inventories when a customer wishes to retain a trial machine or purchase a used machine.

1. The shipping authorization form is prepared in the branch as before. The Azograph master is forwarded to the billing division in New York while the shipping label and order acknowledgment copy are sent with the equipment. When applicable, the picking copy is sent to the requesting branch.

The other three copies are used to obtain the customer's signature on delivery. They are then distributed to the salesman, service department, and delivering branch file.

2. Upon receipt of the Azograph master, the billing division in New York starts normal invoicing procedures.

The warehouse distribution method and duplicated paperwork control system have resulted in considerably improved service at lower cost. END



United Services Automobile Assn. home office building, San Antonio, Tex.

Unique Insurance Firm Demonstrates Effective Correspondence System

BY *Mary K. Menger*
Automobile Correspondent
United Services Automobile Assn.

DESPITE concerted effort by enterprising administrators to improve the effectiveness of business correspondence, there is a continuing flow of letters that do little more than acknowledge inquiries, provide shamefully unsatisfactory answers, and arrive too late to be of service to customers. Conscientious and progressive executives have incurred great expense in setting up training programs within their organizations, in subscribing to courses, and in making available funds for training their personnel in local colleges.

A survey of correspondence difficulties, however, has indicated that improving the mechanics of letter writing is not the solution. Stock paragraphs, no matter how conversational in tone, do not give the customer the answers for his individual situation. "Individual" is the key word. During the rapid expansion since World War II, executives have, of necessity, been more concerned with operational procedures and less with their own paperwork. They have failed to recognize the pitfalls of automation brought on by electronic data processing. Letters that should have personal analysis are being relegated to secretaries or clerks as being routine.

Same Problems Recur

The results are inevitable. The same plaguing problems keep recurring. Why must each customer be contacted so many times? Why do pacifying letters provoke only additional complaints? Why is correspondence being backlogged?

From a sheer force of correspondence volume, the management of United Services Automobile Association has had to face the problem squarely and to take steps to alleviate it. This Association is a nonprofit reciprocal insurance exchange, with a membership made up of commissioned and warrant officers of the federal military services. It was organized in 1922 to provide these men with the automobile insurance they were unable to obtain from commercial companies. It has grown into a worldwide organization that now offers four major lines of insurance at actual cost to more than 360,000 members and writes an estimated $45,000,000 in premiums each year. The Association issues policies throughout the United States, its territories and possessions, Canada, and many overseas areas. Its eight-story modern building in San Antonio, Tex., is a monument to its acceptance by the men for whom it was created. Singularly, 97 percent of its employees are women.

This company is confronted with

United Services Automobile Association handles all its insurance underwriting matters by mail. As a result, its correspondence methods must be the best possible. To handle such a large volume of correspondence (approximately 30,000 pieces of mail a day), a special department was established. Mrs. Mary K. Menger, a USAA correspondent, describes this department—its method of operation and its results.

perhaps one of the most unique of all correspondence problems. Although it has claims adjusters wherever its insurance is valid, it employs no agents or representatives for the acquisition of business or servicing of accounts. All underwriting matters are handled directly through the home office in San Antonio. Thus, its correspondence is actually the voice, the heart, and the emotional center of the Association. Questions that could be answered easily by local agents face to face across a desk must be answered painstakingly on paper.

1,000 Photocopies a Day

Approximately 30,000 pieces of mail are received daily in the message center, or mailroom. They are then stamped in and scanned by readers who determine to which of the 35 stations in the building they will be delivered. If a piece of mail will need the attention of more than one department, it is photocopied. One thousand copies are processed during the average working day.

A large percentage of these letters will require individual answers. To thoroughly understand the problem, it must be kept in mind that officers of the Armed Forces, who move constantly, present characteristically different insurance situations from those handled by the average insurance company. The stateside automobile policy department, therefore, is divided into three districts, which service the eastern, central, and western geographical sections of the country. The analysts who staff these units are specialists in handling problems indigenous to the particular area.

Previously, when USAA had a separate correspondence department, each unit had analyst-correspondents who took care of routine letters in addition to their analytical duties. This system proved unsatisfactory, however, and a study revealed the need for more intensive training of correspondents. With each unit having its own supervisor, there was no central correspondence control; and the unit chiefs certainly could not spare the time for individual instruction. Using the analyst-correspondents for classroom sessions would have disrupted all units. The obvious solution was a separate department that could act as a service arm of the policy department and alleviate much of the backlogging by writing the personal letters. The logical starting point for this experiment seemed to be stateside automobile insurance, since it is the Association's largest line.

An investigation into the failures of similar departments in other organizations clearly indicated three basic faults:

1. Personnel with insufficient educational background; i.e., those who were able to write grammatically correct sentences but could not present accepted material clearly, concisely, and accurately to the layman;

2. Inadequate salaries, resulting in frequent turnover of qualified personnel whose training had been costly;

3. Extreme pressure with lack of time for a thorough analysis and review of past correspondence to determine what had formerly pleased or displeased the customer.

Qualified Personnel Chosen

When the new department was still in the planning stage, the unit

Correspondence arrives at the message center where 1,000 letters are photocopied daily and delivered to other departments.

C. H. Spalding, underwriting assistant, explains a contract technicality to Mrs. Blanche Rihn, correspondent, who will answer inquiry.

chiefs were instructed to select their most qualified analysts for promotion. This did not necessarily mean those who had been with the Association the longest. Rather, selections were made on the basis of a fundamental grasp of the automobile policies, educational background that included a workable knowledge of grammar and sentence structure, willingness to make authorized decisions, and, above all, good judgment.

If the department were to accomplish its purposes, unlimited knowledge of the business had to be made available to the correspondents. This new department, accordingly, was staffed with an underwriter with 25 years' experience, an underwriting assistant with 12 years' claims experience, and a department head with five years' supervisory experience. All were college graduates. From this nucleus evolved a department of 16 correspondents and 10 transcribers who are currently answering some 5,000 letters each month.

The training of this department, which is a constant process, may be broken down into these six facets:

1. *Procedure:* If a letter is to be written, the correspondent makes a complete study of the policyholder's file to see that nothing has been overlooked in the past. In the Association there are necessarily frequent changes in procedure and company policy. When called upon to explain how a member's insurance has been handled, the correspondent must be able to recognize immediately, from the worksheets, endorsements, enclosures, and the policies themselves, exactly what transactions have been processed. She must be kept informed of the smallest changes and she must know why they are made. If there are to be variances from the usual procedure in rate reclassifications, coverage modifications, or adjustments of any type, the correspondent must be notified at once.

2. *Law:* An important part of the correspondent's training is devoted to the laws concerning the business about which she is writing. The USAA correspondent must be acquainted, to some degree, with the insurance laws of all 50 states, the territories and possessions, and Canada. She must know the requirements of all financial responsibility laws, unsatisfied judgment laws, safe-driver plans, etc. Every change in statutory requirements, published in newspapers throughout the country, reflects in the mail. The correspondent is ready with the answers when the questions come pouring in from the states in which changes have occurred. She must keep abreast of trends in court decisions, and she must know what new coverages will be made available by the various states and when.

Knowledge of Competition

3. *Competitors:* An effective tool is the fundamental knowledge of policies and prices offered by comparable companies. Advertising media have made the general public insurance-minded. Also, the sharp rise in rates throughout the country has increased the budget-consciousness of the average policyholder. Since selling her product is an important part of the correspondent's job, knowing what her competitors are doing gives her a tremendous advantage in writing comparison letters.

4. *Contracts:* At USAA, the correspondence underwriter periodically conducts policy schools. In these sessions each coverage, exclusion, and condition of every type of policy is explained in detail. The correspondent becomes familiar with the language of the contracts and she learns exactly which policy will be used for a specific situation. Discussion is invited from the floor, and the most frequently asked problematical questions are answered. This is where the correspondent's basic underwriting instruction begins. She learns who may insure with the company. She learns to study the applicant—his personal background and the hazards he presents for insurance. She learns to apply the policy coverage to unusual circumstances. Above all, she learns caution. Payment or denial of possible future claims rests on her letters of information.

5. *Specialized risks:* As stated before, members of the federal services, with their special problems (changes of station, foreign assignments, etc.), are a type of risk not usually encountered by the

Mrs. Rihn then dictates an answer to the policyholder's letter. All underwriting matters are handled directly through the home office.

Mrs. Caroline Brinks transcribes one of the 5,000 letters processed each month by the correspondence department of USAA.

STOP COSTLY RE-DRAFTING OF ORGANIZATION CHARTS

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CHART
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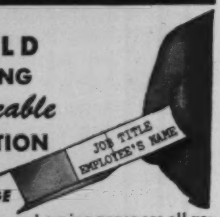
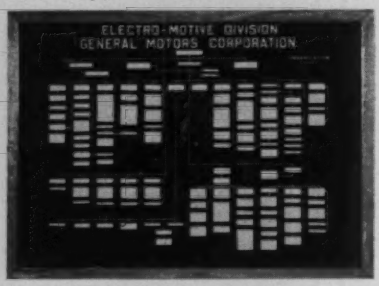


A typist, a typewriter and typing paper are all you need to keep your chart up to date. It's that simple!



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average insurance company. The USAA correspondent must be able to interpret official orders when submitted by the members. She must have a general knowledge of the problems the officers will encounter when moving from place to place and from country to country. She must be familiar with shipping hazards, insurance risks involving separation of cars, and hundreds of other individual situations. Summarily, she must be able to handle all of the complex insurance problems created by the type of work USAA members do.

6. *Manufacturing Trends:* Acting as adviser to new car owners, the correspondent should have an elemental knowledge of the automobile industry as a whole. She should know what companies are manufacturing what cars—body types, passenger capacities, models, and makes. When companies put out new cars, she must know in advance how the Association's services will apply. She must be able to answer questions regarding contemplated purchases of these new automobiles, and she must have a general idea of current market values throughout the country.

Productivity Up 50 Percent

A recent investigation of just how this separate correspondence department has relieved the pressure in the policy department revealed that the units are handling approximately 50 percent more work than under the previous setup. Matters that had been taken care of by memos, general information sheets, and telegrams in the units are now being covered by the correspondents when a letter must be written.

With an eye for expanding and taking advantage of the potential savings in operational costs brought about by the new department, the personnel department earmarks for correspondence those applicants whose aptitude tests show signs of creativity and who have college backgrounds. When there are no immediate open requisitions, these applicants are placed in positions that will give them valuable experience to be used when they reach the correspondence level.

Although not officially, the correspondent is frequently referred to as a junior underwriter. Of all rank-and-file employees, she is the one who is given more latitude in making authorized decisions. She is allowed to bind coverage and to go on risks according to accepted underwriting procedures.

USAA, a company whose major problem is customer contact, has devised a system whereby each policyholder is made to feel that he is a part of a closely knit group. It seems reasonable to assume that, with modifications, the system would prove valuable to other companies dealing in services or even to industrial organizations with comparable problems. Such emphasis has been placed on correspondence at USAA that recently a unit chief was moved to say, "Without the policy department, of course, there would be no correspondence. But without correspondence, there would be few policies."

END

The author (left) with Col. Charles E. Cheever, USA-Ret., president of United Services Automobile Association.

Incoming orders are received at the data-processing room in Raytheon's Unicenter. Machines translate order into invoice and packing slip.

After the order is assembled, it is delivered to Boston's Logan Airport to be loaded on a jet cargo plane. Total time from order to delivery is 24 hours.

Distribution System Uses Planes, EDP To Cut Six Days From Delivery Cycle

WESTWOOD, Mass.—A new method of distribution that utilizes modern communications devices, data-processing equipment, automatic inventory controls, and jet cargo planes was inaugurated here by Raytheon Company's Distributor Products Division.

The new Unimarket system eliminates branch warehouses by compressing the distribution cycle to provide 24-hour deliveries to distributors in principal cities across the Nation. Raytheon's 700 distributor customers will be served from one Unicenter, as it is called, in Westwood.

Newly designed automatic private wire communications equipment by Western Union and jet freight shipments by American Airlines have cut order-to-delivery time from an average of seven days to one day.

Benefits of New System

John T. Thompson, manager of Raytheon's Distributor Products Division, said the new Unimarket system will:

1. Provide faster and more complete service to distributor customers;
2. Eliminate three field warehouses;
3. Reduce duplicated inventories by some $2 million;
4. Eliminate taxes on duplicated inventories;
5. Eliminate back-ordering;
6. Eliminate extra billing costs on back orders.

Comprehensive cost studies have proved the soundness of the new Unimarket concept wherein the entire Nation shrinks to one marketing area, Thompson said. "We will be able to phase out our present components warehouses in Chicago, Los Angeles, and Atlanta, with resulting savings in building-rental costs and overlapping inventories."

Raytheon's Distributor Products Division now stocks 12 product lines embracing more than 2,000 individual products. In field warehouses, where inventories are based on estimated area needs, only about 60 percent of the line is stocked. The problem of limited shelf life on some of the slower-moving items, in addition, makes it unwise to stock them locally.

The consolidation of these new techniques of communications and full utilization of air freight transportation permits a centralized warehouse to store the entire inventory. Initially, all 25 district offices of Raytheon's Distributor Products Division will be supplied with Western Union Tel-O-Riginator equipment into which Raytheon's controlled inventory accounting cards can be fed. Ultimately, all major distributors of Raytheon components will use this data transmission equipment in their own offices.

Prepunched Cards Are Used

The prepunched Rayci (Raytheon Controlled Inventory) cards are inserted in each package of five electron tubes leaving the warehouse. As the merchandise is sold, the distributor collects the cards and places his replacement order without paperwork. He simply sends in the cards which are identified with his account, the type of merchandise, and the unit cost.

The new Tel-O-Riginators will accept these prepunched cards in the field and instantaneously convert the information into an electronic signal. The transmitted signal duplicates the card at the Westwood division headquarters. An invoice and shipping manifest, against which the order is filled, are prepared automatically there.

A typical order of 5,000 various tubes can be received in about 17 minutes, assembled in 90 minutes, and delivered to Boston's Logan Airport in another 45 minutes. Orders from 3,000 miles away can be delivered routinely within 24 hours, a saving of 13 days in some cases, using the new Unimarket system. END

How American Management Methods Work for a British Company

BY *Albert Gale*
Managing Director
Diversey (U.K.) Limited

AS AMERICAN businesses expand abroad, they send more than capital and personnel. They export modern management methods as well. In many cases these methods have been a vital force to increase profits and productivity of overseas companies.

This has been true in the case of Diversey (U.K.) Limited, a recently acquired subsidiary of The Diversey Corporation of Chicago.

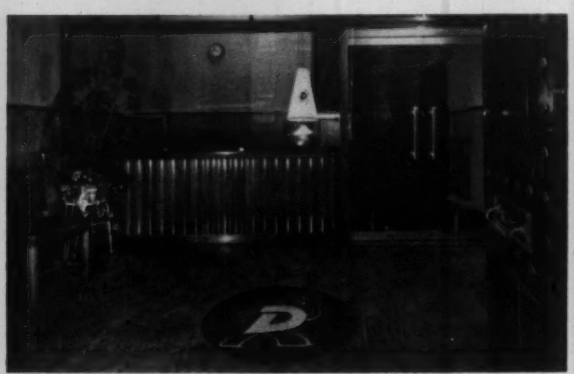
This British branch, which sells cleaning chemicals to the dairy farming, food processing, and catering industries, is still in the small-company bracket. Its total staff, including factory workers and sales force, numbers only 195. But during the 12 months it has been operating under American ownership, the firm has been enjoying a new lease on life. Sales have risen 25 percent. The company now makes 31 products in contrast to the 21 produced a year ago. Additional people are being put on the payroll and the company plans to win a bigger share of the market than was ever thought possible before the acquisition.

Deosan Is Associate

The associate company of Diversey (U.K.) Limited, Deosan Limited, originally was one of a group of companies headed by Milton Antiseptic Limited, whose disinfectant product "Milton" is sold in drugstores all over Britain. In October 1958 this group was acquired by the Vick Chemical Company and "Milton" was added to the Vick range of products.

The products of Deosan Limited, however, were of a different type from those handled by Vick, but were similar to those produced and marketed by The Diversey Corporation which had previously expressed a wish to acquire Deosan Limited. As a result, agreement was reached between the two corporations; and when Vick took over the Milton group of companies, Deosan Limited was sold to Diversey and became an associate of Diversey (U.K.) Limited whose capital was some £296,000 (about $829,000).

Apart from the assets of a skilled work force and an experienced managerial team, Diversey acquired a production plant at Riddings in Derbyshire, near historic Nottingham, in the North of England; and a 17-year lease on the Deosan head office premises at Weymouth Street in London's West End. The plant, which covers a four-acre site, includes the fac-



Entrance hall and reception area at Diversey (U.K.) Limited are indicative of office modernization program.

Secretarial services for all departments are provided centrally, thus streamlining correspondence and mailing.

Mr. Gale is the managing director of a British company which was recently acquired by an American chemical firm, The Diversey Corporation of Chicago. He describes the effects of American management methods in Britain. Many of these innovations also could be applied profitably in the United States.

LEFT: Diversey (U.K.) conference—E. G. Hunt, Industrial Division; R. E. Chandler, chief chemist; S. Bull, Agricultural Division; the author; A. H. G. Pickering, Agricultural Division.

tory, and houses and flats for the workpeople who presently number 77. The head office, which employs 70 people, is on a corner site and has 13,000 square feet on six floors. The sales force numbers 48.

Steady Expansion Foreseen

Herbert W. Kochs, chairman of The Diversey Corporation, foresees a steady expansion and the introduction of new products. To date, he and the Diversey (U.K.) Limited management have planned and applied the following basic measures:

1. Improvements in office equipment and methods;

2. Improvements in plant equipment and methods;

3. Introduction of a planned personnel policy with better working conditions, and wage-and-salary incentives;

4. Reorganization of the marketing policy and the creation of a special industrial sales division;

5. Expansion and training of the industrial sales force.

It is at the company's London headquarters where the new American broom has probably been most in evidence. Here, Diversey has carried out improvements of two kinds: those dealing with employee comfort and welfare, and the appearance of the building; and those affecting the handling of the company's operations.

For a start, the offices were completely redecorated inside and out; even the worn steps at the entrance were cut away and replaced with terrazzo stone. The drab wooden screen that had separated the foyer and reception desk from the offices was removed and replaced by armor plate-glass doors and a screen of polished wood with a large sliding glass window.

Interior "Facelifted"

The "facelift" was continued into the interior and applied to offices and corridors. Carpets were fitted; windows draped with long curtains of a pleasant, up-to-date pattern; and perforated ceilings installed to soak up the noise of typewriters and office machinery. Lattice blinds were hung for protection against sunlight (contrary to popular notion, England occasionally gets her full share of this commodity), and air conditioning was installed. Every piece of furniture and every typewriter was replaced by a new item; and the tastes of the stenographers were taken into consideration before the new desks, chairs, and machines were bought.

The reorganization, however,

Barbara Bowles audiotypes from tape. All equipment was purchased new after consultation with clerical employees.

The teleprinter, which is used to transmit orders from the London office to the factory at Riddings, reduces delay.

has gone much deeper than plush, paint, and polish. It has stretched into the company's nerve center where the orders are dealt with and other sales paperwork handled. A teleprinter service has been installed between headquarters and the Riddings plant 150 miles away. This installation has meant a 24-hour saving in the dispatch of customers' orders. In addition, it has cut to a minimum the mistakes that normally crop up when details of orders are telephoned over long distances.

Another major improvement to office routine concerns the bottleneck of paperwork which used to develop at the end of every week when sales managers and technical servicemen returned to the head office with their reports. This problem has been overcome by installing tape-machines and by employing stenographers who can audiotype as well as transcribe from shorthand notes.

Accounting System Studied

The entire accounting system has been studied by Floyd Horn, controller of The Diversey Corporation, who flew to London for a firsthand view of the situation. He found that the accounting department was bogged down with unnecessary details and did not have time to prepare the type of information needed by management. As the result of his recommendations, one of the first steps to improve accounting will be the use of the IBM service center in London to handle sales analyses.

About 2,000 to 2,500 sales invoices are processed each month. Since the average invoice contains about four items, up to 10,000 items are invoiced each month. Two key-punch operators will prepare this data for analysis —by market, salesman, territory, product, customer, etc.—as needed. After it is run through the service center, fresh, usable information will be available for management.

Expense control, meanwhile, will be simplified to provide only the information really needed by management. Elaborate inventory lists and huge ledgers will be done away with. In their place will be a system of more and better reports, fewer and simpler records. Departmental budgets will be established.

The production plant also has undergone a number of improvements, including the introduction of handling by fork-lift trucks and resurfacing of the roads to the factory site. These, however, are only preliminaries to planned extensions of the factory.

Salaries, Wages Reviewed

One of the company's first measures was to make a thorough review of all salaries and wages. As a result, these have been raised on an average of 10 to 15 percent. Workers are paid above union rates and receive a special bonus at Christmas.

Although some new blood has of necessity been recruited from outside, Diversey operates on a policy of promotion from within. Usually the man already with the company is stepped up. The employees know they are with a firm that intends to go places, and each has the chance to progress with it.

The creation of separate agricultural and industrial sales divisions reflects the American practice of specializing the various components of the sales effort. The industrial representatives sell industrial detergents and chemicals to the brewing, dairy, and other food-processing industries. Their colleagues in the agricultural division sell cleaning chemicals and creams for the dairy farms.

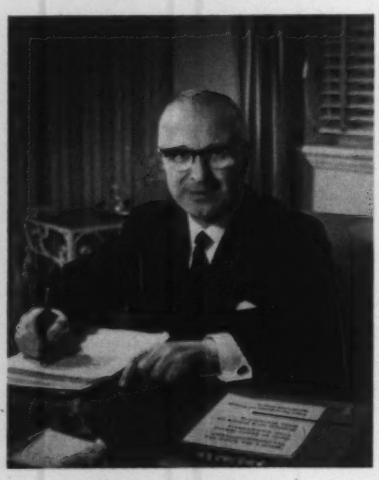
The reorganization has been accompanied by a vigorous new policy in sales promotion. The number of men in the sales teams is being increased all the time. First-class men have been appointed to the area sales-manager posts and paid a salary commensurate with the job. In addition, all sales representatives in the new industrial division have to undergo a special training course in selling industrial cleaning compounds.

The course, which is directed by George Hunt, sales expert of Diversey's Canadian company, lasts two weeks and is residential. Even the salesmen whose homes are in the London area must stay in the hotel provided, because Diversey believes in the importance of men who are doing the same job getting to know each other.

British Background

It may seem that some of these measures are self-evident, though no doubt there are many firms in the United States whose operations could also benefit from a thorough checkup and overhaul. The point is that these measures must be assessed against the background in which they were introduced. Britain has a well-merited reputation for quality and technical genius, but it is no secret that her industrial undertakings are often reluctant to change the routine. It is a problem that would confront any American company planning to expand here. But, as Diversey has shown, it is no insuperable problem. Applied with intelligence and understanding, American ideas are often more than welcome in the British industrial scene.

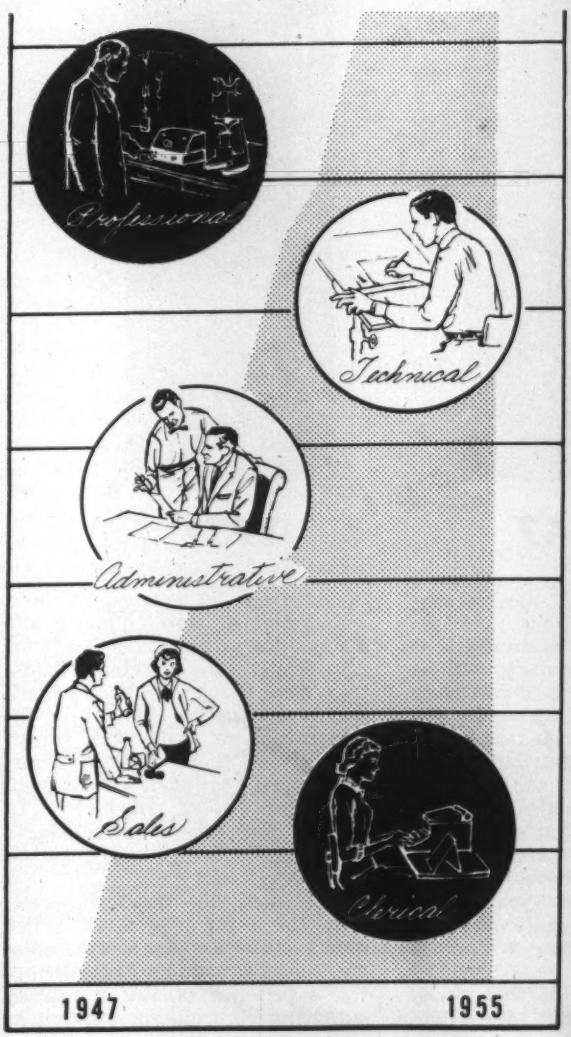
As a result of the changes in our own company, we are now thinking bigger. Our eyes have been opened to the market that is there for us to win and we are going out to get it. No longer are we hesitant about spending money on behalf of the business, yet waste has been cut to a minimum. Most of all, we have learned not to be afraid of expanding and, so long as the business is there, we will keep on growing. END



ABOUT THE AUTHOR: *Mr. Gale began his career selling pharmaceutical products for Milton Antiseptic Limited. Later he became secretary and sales manager of Milton and Deosan Limited. He held this important double post through a period of rapid growth and expansion. In 1954 he became secretary and director of the Milton group. When Diversey (U.K.) Limited purchased the Deosan interests from Milton in 1958, he accepted the Diversey invitation to become managing director of this British branch.*

The article below is derived from a study made by the Industrial Relations Section of the Department of Economics and Sociology at Princeton University. This study points out the changing employment composition of American industry, analyzes present trends, and suggests action to meet future manpower requirements. *Manpower and Innovation in American Industry*. By Samuel E. Hill and Frederick Harbison.

Need for High-Level Manpower Reflects U. S. Industrial Advances



ACCORDING to "Parkinson's Law," administrators and high-level functionaries are bound to multiply irrespective of the need for their services. If this were true, the recent spectacular increase of executives, staff experts, and professional personnel in American industry could be attributed to empire building pure and simple. Indeed, some economists are convinced that a voracious appetite for high-level manpower may be more of an indicator of disease than of health in the modern business enterprise.

Parkinson Was Wrong

This study offers a contrary explanation for changes in the composition of employment. It relates the expansion in utilization of executives, managerial personnel, engineers, and scientists to more fundamental economic forces operating in modern society. Its central conclusion is that the greater employment of high-talent manpower is the consequence of innovation and hence the pace of progress in American industry.

In fact, the authors are convinced that continued economic progress will call for even more spectacular expansion in employment of high-talent manpower in the years ahead. This leads to the startling inference that economic growth in the future may depend as much upon effective generation and utilization of high-talent manpower as upon capital accumulation and the continued availability of natural resources. The required high-talent manpower, moreover, is not likely to appear as automatically or as easily as many economists assume.

As any industrial society advances, it becomes increasingly dependent upon the brains and much less upon the brawn of its working forces. Managers, administrators, scientists, engineers, and skilled technicians are bound to increase as a percentage of total employment while the proportion of manual workers and other less-skilled employees tends inevitably to diminish. Experience in the United States, as the most

advanced industrial society in the modern world, has been consistent with this pattern.

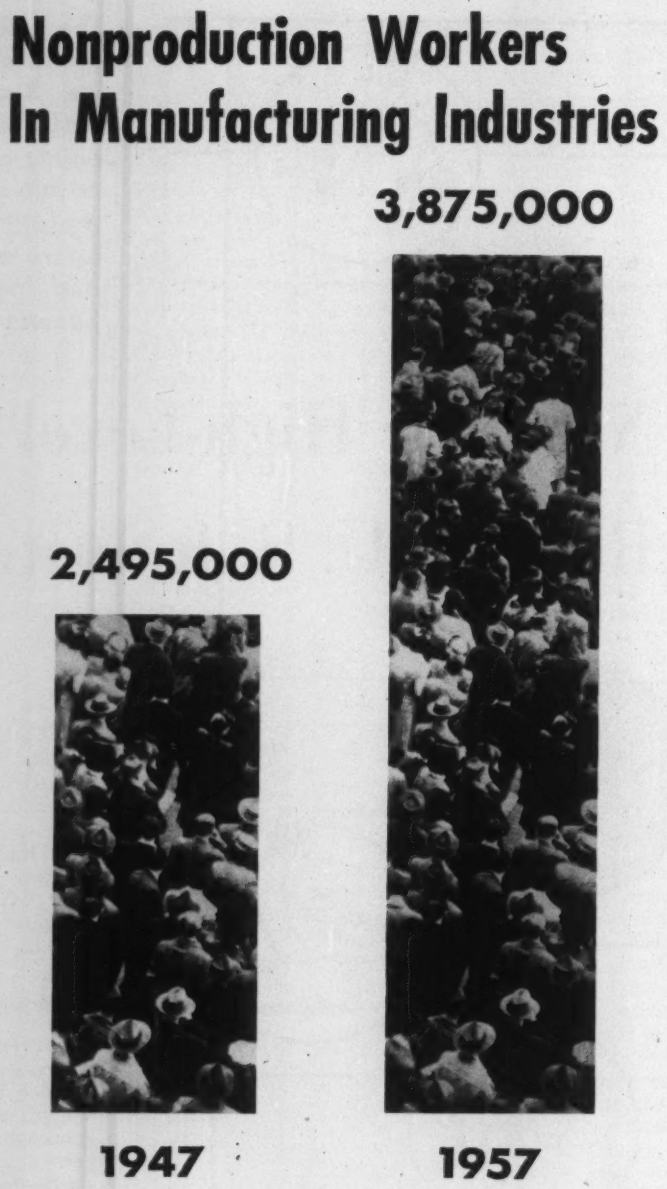
Today, American industry appears to have an almost insatiable appetite for highly trained and highly talented manpower, while it rarely encounters much difficulty in finding sufficient "hands" to man its expanding enterprises.

The trend toward greater utilization of highly trained manpower in the United States is clear from examination of the relevant statistics. In manufacturing industries, for example, professional and related workers increased from less than 1 percent of total employment in 1910 to more than 7 percent in 1957. During the same period, workers engaged directly in production (operatives, laborers, craftsmen, and foremen) declined steadily as a percentage of total manufacturing employment. In 1910 this group of occupations constituted nearly 90 percent of employment in manufacturing, but in 1957 it constituted only 70 percent.

Trend Is Accelerating

This trend has moved at a more rapid pace in recent years. Between 1947 and 1957 employment of production workers in manufacturing industries increased from 12,795,000 to 12,925,000, or about 1 percent; while employment of nonproduction workers rose from 2,495,000 to 3,875,000, or about 55 percent. From 1955 to 1957 there was an absolute decrease in the number of production workers employed and an increase of 10 percent in the employment of nonproduction workers. Nonproduction workers accounted for 90 percent of the total increase in manufacturing employment in the decade 1947-1957.

Of particular interest is the increase in the number of engineers and chemists in the labor force, because these two occupations have been growing at unusually rapid rates. In 1890, for example, engineers and chemists accounted for .14 percent of gainfully employed workers; whereas by 1950 they accounted for 1.11 percent of the labor force in civilian employment. In the recent 1952-57 period, employment of professional, technical, and kindred workers in manufacturing increased by 45 percent, and rose by 27 percent in the two-year period from 1955 to 1957. Important—though less spectacular—gains also occurred among managerial, clerical, and sales personnel.



Part of the shift in employment composition is due to the growth of industries which require relatively large proportions of nonproduction personnel in their work forces. The remainder is to be attributed to a rise in the quality of the labor resources used by industry. Available evidence indicates that changes in the distribution of total employment by industry have been less significant in recent years than changes in the occupational composition of employment within individual industries.

For the purpose of this study, employment statistics were obtained from 50 enterprises in a wide range of manufacturing and nonmanufacturing industries. Certain firms were selected because they were thought to have experienced pronounced changes in the composition of their work forces. Others were chosen because it was anticipated that their employment experience would show little change. Still others were included to provide coverage of significant industry groups.

This does not mean, however, that the companies from which data were secured are a representative national sample. Nevertheless, the experience of the companies supplying information appears to

correspond fairly well with national trends indicated by available statistics.

Summary of Statistics

The following summary of statistics confirms the shifts in employment that are generally understood to be taking place in contemporary American industry:

1. *Executive Personnel:* The executive category, as defined in this study, includes all persons whose primary job is supervisory, embracing personnel from foremen to chief executives of enterprises. More than two-thirds of the companies studied reported higher ratios of executive personnel in 1955 than in 1947. In the firms that reported an increase in the ratio of executive personnel, the average increase was 32 percent. The average decline in the ratio among nine firms reporting decreases was 19 percent.

2. *Administrative Personnel:* This group is composed of persons employed primarily as staff assistants to executive personnel. About two-thirds of the companies reported higher ratios for this group. The average increase was 52 percent; the average decrease, 19 percent.

3. *Professional Personnel:* This group is composed of engineers, scientists, lawyers, and others engaged in recognized professional occupations. More than three-fourths of the companies reported higher ratios for this group. The average increase in the group ratio was 65 percent. In the four firms that reported declining ratios, the average decline was 23 percent.

4. *Technical Personnel:* This group is composed of persons employed in subprofessional tasks, frequently as assistants to professional personnel. Information concerning employment of technical personnel was obtained from 22 firms. In 15 of these firms the ratio of the technical group to total employment increased, while the ratio declined in five cases, and did not change in two cases. Among those firms that reported increases, the average increase was 82 percent. Among those firms that recorded lower ratios of technical personnel in 1955, the average decline was 10 percent.

5. *Sales Personnel:* This group is composed of persons directly engaged in sales activities. Personnel concerned with the direction or planning of sales programs are reported in the executive or administrative categories. Employment data for sales personnel were obtained from 24 companies. Sales personnel increased as a percentage of company employment in 19 of these firms between 1947 and 1955. The average increase in the ratio of sales personnel in these companies was about 60 percent. Only three firms reported lower ratios for the group in 1955. The average decrease in the ratio of sales personnel was about 7 percent. Sales personnel did not change proportionately in two cases. Much of the increase in the group as a percentage of total employment between 1947 and 1955 probably represents nothing more than restaffing of sales forces that had been depleted during World War II.

6. *Clerical Personnel:* Clerical occupations rose sharply as a percentage of total employment in reporting firms between 1947 and 1955. Information was obtained from 29 firms. Increases averaging 29 percent were reported in 21 firms while eight firms reported declines in the group ratio averaging only 9 percent.

Taking the six categories as a group (which comprises practically all nonproduction workers), the average increase in the percentage which these groups constituted of total employment between 1947 and 1955 was 24 percent in the 42 companies showing increases. The average decrease was 8 percent in the five companies showing a decline. Production workers, during the same period, increased as a percentage of total employment in only 10 percent of the companies studied.

Two Factors Caused Change

Two general factors caused this change in employment composition:

1. Introduction of new products or new processes of production or distribution;

2. Changes in organization and the addition or expansion of particular administrative units.

The first factor, introduction of both new products and new processes, usually is associated with innovations in technology and offers a major explanation for the increase in the proportion of nonproduction workers. The following comparison of the changes in the employment structure of a shoe manufacturing company and of an electronics firm is a good example.

Electronics

	1950	1955
Executive, Administrative, Professional	8.8%	13.6%
Technical, Clerical	5.8	16.9
Production	85.4	69.5

Shoes

	1948	1955
Executive, Administrative, Professional	5.3%	5.6%
Technical, Clerical	11.5	11.6
Sales	1.6	1.8
Production	81.6	81.0

The electronics firm developed a wide range of new products and installed more complex production equipment. Employment and research increased rapidly because the firm emphasized product development. In the shoe company, however, the proportion of production workers declined only slightly. The company used the same production equipment and manufacturing techniques throughout the period, and no major improvements in technology occurred.

Example of Computers

Another example is the comparison of employment composition between a company which developed and manufactured electronic computers and the accounting operation of a steel company in which a computer was installed.

Computer Development

	1947	1957
Executive, Administrative	5%	8%
Professional, Technical	6	15
Clerical	13	17
Production	76	60

Computer Use

(Steel Company Cost Accounting)

	1952	1957
Executive	7.5%	9.4%
Administrative	1.5	7.5
Technical, Clerical	91.0	83.0

The comparison shows that development of a computer required far greater changes in work force composition than did its use. In the

first company, professional and related occupations grew rapidly both absolutely and as a percentage of total employment. In the second situation, change in employment composition resulted primarily from a decline in clerical employment and some increase in administrative employment. The number of supervisors did not change. Total employment declined by 20 percent in the second operation between 1952 and 1957.

Innovations in administration were a second major source of change in employment composition. Common types of administrative innovation were establishment of research and development functions, decentralization of management responsibilities, introduction of new systems of data procurement, and expansion of staff groups concerned with such matters as quality control, production scheduling, sales planning, accounting, or personnel.

Conclusions of Study

Several conclusions may be drawn from the evidence presented.

1. The increase in highly skilled personnel as a percentage of total employment in the companies studied was primarily the result of innovation. Both technological and organizational innovation required increases in executive, administrative, and professional staff. Technological innovation also changed the composition of the work force by decreasing the employment of production workers. Automation nearly always led to substitution of both high-talent manpower and capital for unskilled and semiskilled personnel.

2. Companies showing the greatest increases in nonproduction workers as a proportion of total employment were invariably those that had made the most spectacular or far-reaching changes in products, processes, and organization.

3. Companies that originated new processes, products, or administrative methods invariably used a greater proportion of high-talent manpower than the companies that merely adopted the innovations developed by others.

4. The development of innovations has apparently affected the occupational structure of entire industries. For example, between 1947 and 1955 the ratio of nonproduction workers increased sharply in aircraft, electronics, chemicals, ordnance, and petroleum. Each of these industries developed innovations for its own use, or for use by others. The proportion of highly skilled personnel increased less rapidly in the textile, apparel, lumber, railroad, and utility industries, which generally adopted innovations developed by others.

5. The evidence indicated that innovation is likely to spawn more innovation. Product and process innovation by one firm in an industry tended to cause innovation in competing firms. The growth of research and development was one indication of this tendency.

6. Bureaucratic expansion, more popularly referred to as "empire building," was probably a factor in some of the companies studied, particularly during periods of high prosperity and high profits. Nevertheless, it was a very minor cause of expansion in the proportion of nonproduction employees in company work forces.

7. The increasing size of companies and the alleged increase in the number of reports required by government agencies were found to be erroneous explanations for shifts in occupational structure. Companies that grew in size but did not innovate tended to employ a constant or declining percentage of their work forces in executive, professional, and related occupations. Reports required by government agencies were mentioned as a source of change in employment structure only by public utilities and railroads—companies subject to direct government regulation. Companies in other industries indicated that most of the information required by government agencies was also required for effective management.

8. The shift to greater utilization of high-talent manpower in the companies studied was thus associated primarily with dynamism and progress rather than with expansion of bureaucracies or unwarranted increases in overhead costs.

Forward Planning Needed

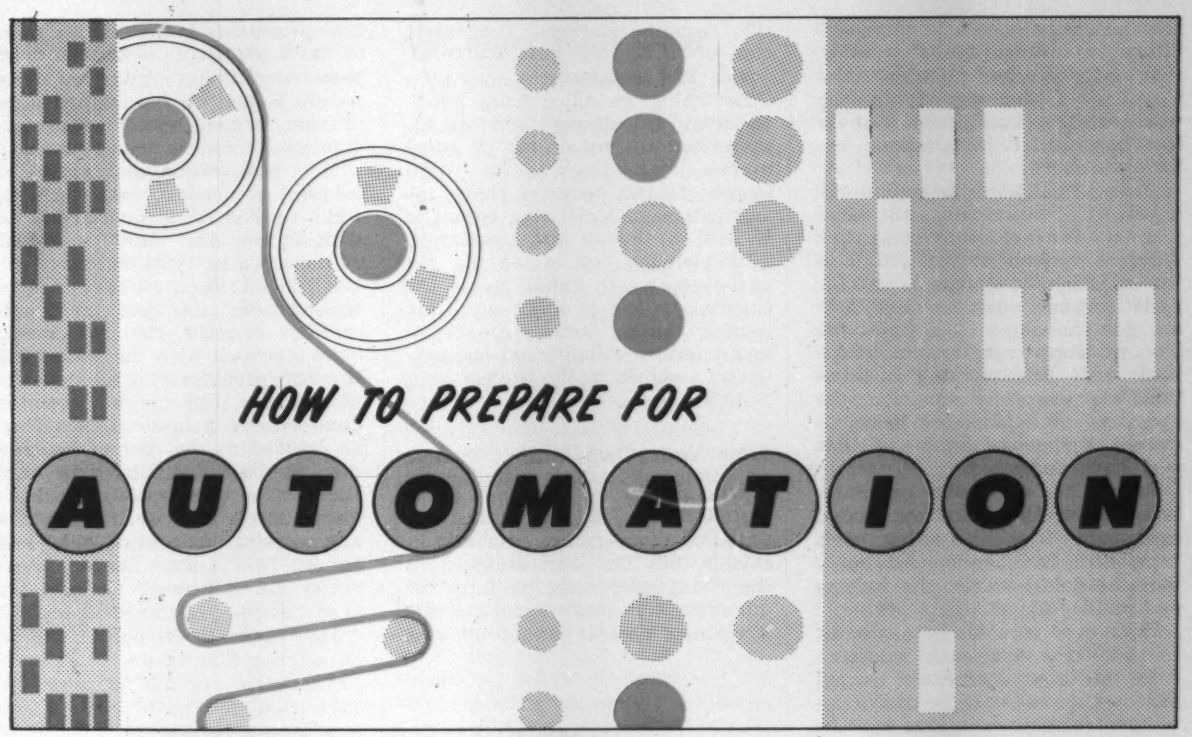
Perhaps the most important implication of this study for company policymakers is that greater emphasis must be placed on forward manpower planning. Companies will need to appraise their future development not merely with reference to markets, processes, and financial resources, but in terms of the human resources which will be required. Of all economic resources, high-talent manpower takes the longest time to develop, and thus it demands the most careful consideration in planning for the future. Yet, today, the criteria governing recruitment of personnel from the colleges, as well as most of the programs of professional and executive training within industry, fail to reflect any realistic projection of tomorrow's manpower requirements.

Many companies are preoccupied with their immediate requirements and with short-run development projects. In long-range manpower planning, most companies really do not know where they are or whither they are tending. As a consequence, they are baffled over what to do about manpower development and confused about how to do it in this century of rapid and unprecedented change.

There is an obvious connection between the availability (and price) of highly trained manpower and economic progress. Indeed, one of the reasons for industrial progress in the United States may be that the price of highly trained human resources, in relation to other factors of production, has not been very high.

The supply of highly trained manpower should be measured not by its relative price, however, but by the requirements demanded by the rate of economic development which an industrial society wants. If, for example, the United States chooses to have a rate of growth equal to that of the Soviet Union, it must certainly step up sharply its production of scientists and engineers. At the same time it must utilize efficiently its precious supply of high-talent human resources. In a market economy, this requires a reliance on the price mechanism to direct high-level human resources into the most productive activities.

Greater use of high-talent manpower is only one consequence of an increase in the rate of innovation in an economy. Other changes, such as increased capital investment both in industry and in supporting social and economic institutions, also are necessary for progressive industrial growth. Further economic growth, however, is likely to depend more upon development, introduction, and use of increasingly complex technologies and forms of organization than upon capital accumulation or availability of land or natural resources. High-talent manpower is the most important determinant of progress. END



BY *Eugene Whitmore*
Business Writer

EVERYBODY who talks about automation does not necessarily need it. A man with a great deal of knowledge about office machines recently said, "These big electronic installations are a businessman's electric train. They flash lights, ring bells, make noises. He thinks he must install them just to keep up with the country-club set in his community."

Unfortunately, there is considerable truth in this joking remark. Several companies that have invested huge sums in automation were more in need of modern communications systems, dictating machines for every correspondent, and electric typewriters in the typing pool.

Other companies have found to their sorrow that they did not need, or were not ready, for automation. Their ailments could have been cured by any one of three or four modern bookkeeping machines, snap-out or continuous forms, and elimination of lost motion and backtracking in order handling.

It is not enough to automate and then have letters answered two weeks to a month late. Nor is it a great step forward to install automation in accounts payable if the purchasing department head or other executives sit on bills awaiting approval until discount dates are past.

Determine Present Needs

Automation in some cases is like stepping from Oliver Wendell Holmes's one-hoss shay to a jet plane. Better try automobiles, trucks, or trains—then jet planes. This is not intended as a discouragement to automation; the point is not to install a giant bulldozer to cultivate a rose garden.

Determine where your present system needs improvement or expansion most, and then concentrate on this weak spot. Is it cost figures you need most? Sales analysis? Faster billing and invoicing? Or do you instinctively know your company has too much money invested in inventories—raw materials, parts, semifinished or "in process" items, or in finished goods in warehouses? Would it be better to begin with the payroll, especially if it is complicated by piecework or special-incentive rates?

Be sure you have hit the exposed nerve that is giving your accounting and data-processing system its toothache before you com-

Electronic data-processing equipment has become, according to at least one dim viewer, "the status symbol of the country-club set." Although automation can solve many problems of modern industry, some firms do not need it or are not ready for it. In the accompanying article, Mr. Whitmore sets forth the questions that each company should answer before investing large sums in such equipment.

mit the company to a huge expenditure in automation. Remember that edge-punched cards, hand sorted, go a long way. It may be worth while to study some of these less spectacular installations before you move.

If you finally decide that nothing short of automation will serve your needs, inspect at least five different systems at work. Call in the salesmen, of course, to ask for their recommendations. But also ask for the name of a user who has problems similar to yours. Then visit this working installation and carefully question the operators or department heads in charge of it about the "bugs" that may have developed.

About 200 companies manufacture various kinds of automated equipment. It is likely that more companies have announced entry into the field between the writing and publication of this report.

Do not be in a hurry to decide. Be sure to take each salesman fully into your confidence. Do not expect the salesman to make intelligent recommendations until he knows your requirements and special problems. Some of the men selling or engineering installations are really expert at their jobs. But they cannot be expected to know all your peculiar problems after a 20-minute chat. Give them full opportunity to serve you.

Explain in detail the special difficulties you have. Is your raw material purchasing subject to constantly changing multiple discounts? Are your selling prices especially complicated, with a long range of extra, special, trade, professional, or other discounts which slow billing, invoicing, and ledger posting?

Inventory and Warehouse

Is your inventory and warehouse something to be proud of—or apologized for? What about machine loading? Is this a headache, or do you have it licked? How about sales analysis? Do you have a special problem of long lines, sizes, colors, models, and styles that snarl up accounting and data processing, and production; that tie up money; and that create overages in one branch and short supply in another?

Give the salesman the full picture, and then challenge him to come up with the answers. Ask the representative who is explaining his system to relate it to your problems and to come up with specific recommendations. The salesman often is your best source of advice and assistance.

Switching an office from hand-operated calculating and data processing to any degree of automation requires from three months to two years of study, investigation, and planning before it is safe to install any machines. This planning job is too big for any executive to handle as an incidental project in addition to his regular duties. Some enthusiastic and determined individual had better be assigned to the project on a full-time basis.

Train Your Own Man

Who should this man be? Remington Rand, IBM, and other automation pioneers are emphatic in saying that the man assigned to the changeover must be fully acquainted with every aspect of the company's present accounting and data-processing system. It is easier to train a man in electronic data processing than to teach an electronics expert all the ins and outs of your present system. Select a man who knows your business and who is progressive, determined to achieve a marked improvement, and who has enough authority to stick up for and obtain approval of the steps he finds necessary.

After all the preliminary studies, and after you have tentatively selected the equipment, have a session with the equipment company's engineering or installation service. For major electronic data-processing systems, you may be amazed at the cost of housing the big machines. You may need answers to these questions: How much space will we require? Is any present space available and suitable? Will our floor-load capacity be sufficient? Or will we need new or reinforced floors?

How many power outlets will be

CHECKLIST FOR AUTOMATION

1. Do not be stampeded by the present boom in automation;
2. Study and analyze your present system to determine possible improvement and modernization which may bring your accounting and data processing up to needed capacity, cost, and speed;
3. If you are sure automation is the answer to your problem, inspect and study at least five different systems;
4. Put a full-time employee or officer in charge of automation studies. It is not a part-time job, to be handled by an executive already carrying a full workload;
5. Be liberal in spending money to visit other installations and to ascertain all the problems the other fellow had to solve before he got the "bugs" out of his system;
6. Answer all these questions before you sign a contract:
   - A. Is the space allotted adequate for present and expanded capacity and equipment?
   - B. Is the building capable of maintaining adequate climate? Can you soundproof and air condition it?
   - C. Have you provided precision temperature and humidity controls for the entire department?
   - D. Will your system require cooling water? Where can you find room for the necessary equipment?
   - E. Have you established year-round climate control for dust, humidity, and temperature?
   - F. Have you provided sufficient powerlines; ample outlets for power; easy access to water, air conditioning, and other pipes and ducts?
   - G. How about the floors? Few are strong enough. Look into the new "checkerboard" floors with easily removable sections to insure easy access to lines and piping.
   - H. Have you thought of providing a "visitors' gallery" to utilize the public relations aspects of modern equipment?

needed? Make a liberal estimate, and then double or triple this figure. Otherwise you will be forever digging into floors to tap power or water lines. New-type floors are available that consist of sections or oblongs which may be lifted to provide easy access to power, water heating, and cooling ducts.

How much air-conditioning, cooling, heating, and humidity equipment and control do you need? You need temperature control within two degrees Fahrenheit.

What about noise? How much acoustic treatment for ceilings and walls? Some modern installations have acoustic tile down the walls to about eye level. Noise itself may not be so distracting as when it begins to bounce around within the department. One company found noise leaking into distant departments by way of air ducts. Fiberglas solved this problem.

Will you need cooling water? And, if so, where will you install the equipment? And what about the cooling towers in below-zero weather, if your installation is in the northern part of the country?

Effect on Personnel

What will be the effect upon personnel? How about a frank announcement and explanation of your plans? Remember, your people can sabotage the new installation without being fully aware of their inner antagonism if you fail to give them all the facts.

Do you have a schedule and timetable for new construction, repairs, remodeling, arrival of first units? Above all, have you made plans for the changeover? Have you planned for trial or pilot runs before final changeover?

It is possible only to outline some of the questions you must answer before investing in automation. You may or may not be ready for it. If you are ready, it can bring new profit vistas to your company. It can speed every process in your business. It can vastly improve your customer service. And it can give your executives the data on which to base important decisions. It can increase sales, simplify or reduce inventories, increase turnover, shorten the lead time in your manufacturing process.

But if you do not need automation, you will have spent considerable time and money—and be right where you started. END

Get More Work Done

(Continued from page 16)

should be paramount. This is one phase of your executive workload that can't be delegated, for it is your evaluation of what is truly important that is the key to everything else.

It's not easy to tackle the most important, rather than the most enjoyable, or most easily dispatched, paper job. We all have a tendency to deal first with problems we can solve most successfully. It gives us a sense of accomplishment and satisfaction. If you remember that the temptation to run away from a job should be a warning signal, you'll have an automatic priority label.

4. Get Rid of Extraneous Material: Since you really can work only on one subject at a time—or on a number of papers related to one subject—I urge that you immediately get rid of everything you are not using. A small file drawer next to your working area can be most helpful. Even if you are going to tackle the papers in another hour, put them out of your way so that both your mind and your desk are as uncluttered as possible.

5. Make Use of Reminder Methods: We have talked about planning and scheduling guides. But the use of these devices in connection with handling paperwork is indicated here. Go into a large stationery shop and look over their reminder books, pads, and other devices with a fresh eye. You'll find many new items of potential value.

Another streamliner is planning your desk layout to make it not so much a piece of furniture as a key work station, best suited to your needs.

Once offices were designed around rolltop desks. Pigeonholes, vast recesses, and a cover that came down symbolically at day's end, set the whole executive work-handling pattern.

Today, desks have become more and more functional. Some are U-shaped; serve both as conference tables and work stations. Others are free-form to escape standardization. Best organized desks, in my opinion, are those developed by Shaw-Walker. Pioneers of the 29-inch low desk, claimed to be the last half-century's most important desk improvement, these desks have drawer spaces especially fitted for specific jobs: executive, secretarial, or administrative.

In-and-out letter trays are inside, eliminating surface clutter. A scientifically geared personal file has special right-hand guides. A concealed removable wastebasket in the lower left-hand corner saves floor space and prevents litter, particularly useful in banks or front offices where desks and executives are in public view. Even the telephone can be kept inside a drawer.

Most important, in my judgment, is to eliminate from your desk items not constantly used. Photos, gadgets, odds and ends have no place on a man's work space. Books, magazines, and reports piled high can only confuse.

Drawers in a modern, functional desk can be utilized to streamline paperwork in proportion to your ingenuity, or that of your secretary. For example, Ken Mehrhof, account executive at the G. M. Bassford Co., keeps a right-hand drawer for immediate action projects, schedules referred to constantly, and material he expects to deal with within the day.

Underneath in a drawer with long-range plans—materials of less constant reference. The third drawer holds a sort of "hope and hold" file, for matters of live—but temporarily dormant—value.

Consider your present desk setup. How much of all the junk you have around are you actually using day after day, week after week? When have you last actually gone through your desk, cleaned it completely, organized it to work for you? Too many desks are filled with "someday" items which, in fact, are rarely used.

One of the best and simplest ways of avoiding this clutter is to have a few inexpensive bookshelves put in one corner of your office—at your own expense if necessary. Best location is behind your desk where you can swivel around to them without getting out of your chair. They can hold all kinds of filed reference material. Anything you can store vertically makes it easier for you to remove and return. END

ABOUT THE AUTHOR: *Ray Josephs, former reporter for the Philadelphia* Evening Bulletin *and South American correspondent for* Time, Christian Science Monitor, *and other publications, has written some 10 books in the past 12 years. He is now also engaged in public relations.*

LEFT: Main entrance to Tremco's new three-story building is centrally located between research and general office areas at left, and executive wing at right. BELOW: Custom-designed cubicles provide privacy and quiet to increase efficiency.

LEFT: Reception area is not cluttered by telephone switchboard which is concealed behind paneled wall.

Tremco's New Administrative Building

BY *William C. Treuhaft*
President
The Tremco Manufacturing Co.

THE $1.5 million Tremco Research Center and Administrative Offices, opened recently in Cleveland, is designed to meet the company's need for a well-planned, functional administrative area. At the same time, the new building releases 25,000 square feet of working space in Tremco's factory.

The design and layout of the new office facilities were based on studies of workflow. Of prime importance were speeding customer communications and processing orders. Uninterrupted flow of necessary paperwork also was considered in establishing a working floor plan. Another factor was careful placement of department personnel to reduce possible distractions.

The building is arranged in this manner:

First floor: lobby, purchasing, personnel, sales and field service, advertising, order, billing, credit, bookkeeping, IBM, stenographic and filing, and controller's departments;

Second floor: executive offices, board and conference room, research department offices and conference room, library, research and testing laboratories;

Ground floor: dining rooms and kitchen, maintenance sales training room, service, duplicating and mailing departments, supply room, mechanical equipment room, garage, and receiving dock.

Expansion Anticipated

Because the organization's plans call for larger operations during the next five years, the need for additional space to house personnel and office equipment was anticipated. Each department was designed so that it could expand its present operations by one-third—adequate for a 50 percent increase in business volume—without causing crowded conditions and decreasing efficiency. The present occupancy is about 110 persons.

A 10-year plan calls for an even greater increase, however, which would exceed the present capacity of the 50,000-square-foot building. This, too, was considered when plans were compiled. Provisions were made for future erection of two exterior walls at the west wing. This would provide an additional 10,000 square feet of working area for the departments to be affected by the anticipated growth. Such advance planning is expected to result in substantial savings

ABOVE: Custom-built, aluminum-framed partitions divide payroll office (foreground) from credit department (rear). Fluorescent lighting units are recessed into acoustic tiled ceilings. BELOW: Maintenance specialists are trained in this classroom, which is separated from cafeteria by insulated folding doors.

ABOVE: White glass solar screens along south walls (at right) reduce solar heat load and eliminate sun glare. Extruded aluminum channels support the glass.

Provides Expandable, Functional Offices

when the new addition is constructed.

The selection and installation of the heating system, power equipment, and air-conditioning system also were based on future requirements. Specifications stipulated that such equipment include sufficient capacity to accommodate the new addition. The service equipment is mostly automatic, has a minimum of moving parts, and requires little maintenance.

Temperatures in 22 separate zones are thermostatically controlled. Presensors on the outside of the building anticipate temperature changes and activate the thermostatic controls. This supplies warm or cool air to specific areas in advance of actual temperature changes on specific exterior walls. Regardless of weather conditions, inside temperatures remain constant.

The guiding principle in the formulation of plans for the new building was that clean, comfortable working conditions promote efficiency. Thus, solar screens—mounted in vertical, extruded aluminum channels on the south and east walls of the structure—were installed to reduce solar heat load and to eliminate sun glare. Six-foot movable bank-type partitions with extended aluminum frames were installed in all major departments for flexibility and privacy.

Credenzas in Offices

All executive and junior executive offices have built-in, custom-designed credenzas with drawers and filing facilities. Bookshelves, dictating machines, and other special equipment are installed as specified by the occupant. These functional units provide horizontal desk-height surfaces and eliminate the need for miscellaneous office equipment which might interfere with the unity of design and orderly appearance. Office ceilings are of acoustic tile with recessed fluorescent lighting units. Illumination ranges from 60 foot-candles in private offices to 90 foot-candles in the general office area.

Selection of the two-acre building site was prompted by management's efforts to find an outlying location that would be equally convenient to the company's manufacturing plant, to downtown Cleveland, and to residential sections where employees live or could find suitable residential property. It is situated on the Shaker Heights rapid transit line and is within walking distance of three city transit buslines. END

Is Your Secretary a Bridge

BY *Marilyn French*
Contributing Editor

IS your secretary a bridge or a barrier? You ought to be sure about her role. While you may look upon her as a buffer between you and unwanted interruptions, her zeal for protecting your time may be maintaining a barrier against all comers.

It is possible that customers, friends, associates, salesmen, and employees are being barred from your office. Many of these people, moreover, have legitimate needs for your time.

It is harder to see some businessmen than to get into Fort Knox, according to a disgruntled salesman. "First, the receptionist questions you like an FBI agent. If you survive this, you get to talk to the executive's secretary. She, in turn, carries on the inquisition. If you pass the test, you may get in to see the boss. By that time, you forget what you wanted to say to him."

Exaggerated? A bit, perhaps, but it pinpoints the increasing isolation of today's busy executive. He does not want to be interrupted unless a visitor or call is urgent; his secretary does not want to annoy him by putting through unwanted visits and calls. That leaves the secretary in the middle. She has to decide who gets in and who does not. Some salesman may have a red-hot idea for her boss; some old customer may be a tedious windbag who has time to kill before his next appointment. But it is the boss who signs her paycheck whom she is most anxious to keep happy. To be on the safe side, the secretary may overplay her role as watchdog.

Dangers of Interruption

As a secretary explained her position, "I interrupted a conference once to see whether my boss would talk to a visitor who said his business was urgent. Four pairs of beady eyes stared at me as though I'd sprouted an extra head. I resolved never to interrupt anything again unless the building were on fire."

Even though the boss may not wish to see people while he is busy, he needs to retain their good will. This presents a problem for his secretary that calls for intuition, tact, and a collection of plausible excuses to fit the occasion. As a reader observed, "Some secretaries are bridges between the boss and his customers and associates; others, unfortunately, are barriers."

Executives must work with people and they need the kind of secretary who serves as a cordial link. There are many ways in which a secretary can do a good human relations job for her boss. The ways she may do harm are countless.

If you are blessed with an alert secretary, being a bridge is one of her main preoccupations. Otherwise, there are methods that any executive can use to get and keep his assistant on the right track. The simplest way is to give the secretary detailed instructions on who's who. Also, tell her when you are available to others and when the "do not disturb" sign is up. Even then, there may be important exceptions to the rule.

Zeal May Overtake Judgment

The secretary who is a barrier, instead of a bridge, usually creates this impasse through a desire to save her busy boss from interruptions. Sometimes, her zeal overtakes her judgment, and she insulates him from most contacts with other people. If a secretary has been nagging her boss for weeks to finish a project that is due on a certain day, she may avert all who call or drop in that day.

Up to a point, the secretary is right in keeping interruptions to a minimum. But if she consistently overplays the watchdog role, she eventually will build a Chinese wall around her boss.

Management Briefs, the house organ of Rogers, Slade & Hill, New York consulting firm, put its finger on the ultimate danger with this example: "In one case, where the boss's friends were too 'considerate' to complain, the result was a cooling-off of once-cordial contacts that cost the company a shot at some exceedingly profitable business. A friend about to call up with a sizzling hot tip thought twice—and didn't call at all."

The house organ writer considered it the duty of the executive's friends to tell him if his secretary made it hard to reach him. (How they would get the message to him might be a problem.) But, as in the case cited, the boss often is the last person to know. Sitting in mahogany row, the well-insulated executive becomes out of touch with the world—and downright lonesome. One professional man admitted, "Some days, I pick up the phone to see if it's still connected."

To see whether the shoe fits, check over your own business day. Did unwanted callers get in or was some important person turned away? If an unwelcome visitor was ushered in, did you tell your secretary about her mistake? How you told her about it will determine whether that particular person does not get in again—or if you will be mighty lonesome as long as she is guarding your door.

If you sometimes wonder what happened to all the contacts you used to have—or if you detect signs of a barbed wire fence around your office—you can put to work some of the ideas adopted by other men in the same spot.

Give Her a List of Names

A textile manufacturer gave his secretary a list of persons he would always be willing to talk to—old friends, business contacts, certain salesmen. He also gave her instructions for referring unknown callers to the proper parties. Mr. Smith, for example, should handle calls or visits regarding advertising. Mr. Brown should take care of merchandising matters; Mr. Jones should handle personnel situations; etc.

It took time to compile the list and go over it with his secretary, but the manufacturer feels it was time well spent. His secretary can handle calls and visitors with confidence. The "right" people get through to the boss, and those he does not know are tactfully referred to executives who are versed in their particular specialties.

Another executive makes it a point to answer his own phone. This is a growing trend, according to a recent survey, and the man who does so is not jeopardizing his status. An executive knows which

calls he wants and which he can cut short by pleading "a call on another line." Then, too, there are still some callers who refuse to deal with a secretary. It is often much more efficient to talk to a caller for a few minutes than to spend the rest of the day returning his call and missing connections.

Consistency helps, too. As one secretary moaned, her boss "will see anybody, even a shoelace peddler, when he's feeling expansive. The next day, he may not talk to a soul. It depends not on how much work he has to do, but on how he feels."

Another boss confused his new secretary by an apparent inconsistency. Usually, this manufacturer brushed off all callers. When a salesman called and asked to see him, his secretary was on the point of turning him away. But the boss dashed out of his office, slapped the salesman on the back, and ushered him in like a long-lost brother. Puzzled, the secretary remarked to a coworker, "You'd think he was King Midas, the way he got the red-carpet treatment." The oldtimer explained, "That salesman kept us supplied with his product all through the war when it was as scarce as nylons. Without it, we would have had to close our doors. The boss has never forgotten the salesman's cooperation."

Ten Methods to Use

If you feel as though you have been shut off from the world, you can get back in touch by using the methods advocated by others who have faced this problem. Here are their suggestions for making sure your secretary is a bridge, not a barrier:

1. Make your wishes known. How can a secretary do a good job unless she knows how you want her to handle interruptions, callers, appointments?

2. Be consistent. Make up your own mind on such policies and stick to them.

3. When you hire a secretary, or when you merit rate your present secretary, emphasize your need for maintaining good human relations with customers, salesmen, associates, and employees.

4. Set an example by being courteous and considerate of others. She will follow your lead.

5. Praise her flair for handling people. She will redouble her efforts to please.

6. Back her up. Do not intimate that you are the easiest person in the world to see, but that secretary of yours is so doggone hard to get by . . .

7. Have the courage to say no to a salesman instead of letting him repeatedly batter down the doors trying to get an appointment when you have no intention of buying his product or service.

8. Ask whether anyone wants to see you when you have a few minutes before a meeting or before you tackle the next task.

9. Cultivate your terminal facilities. Let people know you have 15 minutes or so to spend with them and no more.

10. One efficient boss installed a small light over his door. When he switches the light on, it means "please do not disturb." When the light is off, he is available. END

—or a Barrier?

Face-to-face communication is intricate. To talk, to listen is not enough. To achieve real understanding—to persuade—you have to reckon with the other person's subterranean emotions and assumptions. Your own as well. Why and how are explained by this article, based on the discussion guide to the training film, "Person to Person Communication," produced by Roundtable Productions, 8737 Wilshire Blvd., Beverly Hills, Calif.

Understanding can break barriers to employer-employee communication.

Communication for Understanding Needs More Than Good Listening

BY *Nicholas Rose, Ph.D.*
Consultant in Communications

FEW human activities have greater social and psychological significance than one person's ability to communicate with another. In a specifically practical sense, ability to communicate means ability to reach an understanding with others.

The major premise of the film, "Person to Person Communication," is that communication is no better than the knowledge the communicator has of his target, the understanding of what is going on in the other person's mind and his own as well.

This information about the other person is best achieved by being a good listener. But good listening is only *one* of the necessities of good communication. By itself it is not sufficient. We must be thoughtful listeners. That is, as we listen, we must seek information about three areas of the other person's behavior or activity:

1. His Assumptions;
2. His Viewpoint;
3. His Feelings.

Of course these aspects apply to ourselves as well!

Assumptions: Every individual takes certain things for granted while talking to others. At the simplest level it involves the assumption that the other person is listening. (Often a venturesome assumption indeed!) At a more complex level one may assume that the other person attaches the same degree of importance to what is being said or that the other person knows or shares one's unspoken feelings. In the film the employee seeking an immediate vacation assumed that he could leave his job without consequences to the company. On the other hand, the boss assumed that the employee was conscious of the need for strict adherence to the vacation schedule.

What Do You See?

Viewpoints: This concerns not only *how* one sees but *what* one sees in a situation. In "Person to Person Communication," the worker saw the boss as a man who had no sympathy for the fact that he had suffered a tragedy. Also, he assumed that this fact superseded all other considerations in the boss's mind. The boss, in turn, beheld his subordinate as an employee who was heedlessly disregarding the company's interest for his own. To the extent that neither of these viewpoints was completely true, they became assumptions that generated other things each said to the other.

Feelings: Feelings are always present in some degree in normal behavior. It is when they are extreme that they interfere with communication. In the film, worker and boss reacted with defensive feelings; that is, each tried to protect his position and his goal. Each got angry; each shouted; each used strong words in counterargument. This began to affect not only *what* each said to the other but *how* it was said.

Here is a dangerous aspect of person-to-person communication because, unfortunately, often we are not conscious of our own feelings.

It is important to point out that these three factors—Assumptions, Viewpoints, and Feelings—are often fused together and affect one

QUIZ ON COMMUNICATIONS PROBLEMS

Select the one best answer among the three given even though all answers may be correct to some degree.

1. A man is a good listener only if he:
   - A. does not think while the other fellow is talking. ____
   - B. hears everything the other man has to say. ____
   - C. seeks information as he listens about his own and the other fellow's assumptions, viewpoints, and feelings. ____

2. You can determine whether you have communicated with the other fellow by:
   - A. asking him questions. ____
   - B. watching his facial expressions. ____
   - C. knowing whether he should be interested in what you are talking about ____

3. Three factors enter into our daily person-to-person communication. Which is the most important?
   - A. assumptions. ____
   - B. viewpoints. ____
   - C. feelings. ____

4. To get a clear picture of the other fellow as we listen:
   - A. we have to "tune in" on some things that are never actually voiced... ____
   - B. we must concentrate on everything he says. ____
   - C. we must clear our minds of any prejudices or evaluations we may have made in advance. ____

5. When we talk to another person we can assume:
   - A. that he is listening to what we say. ____
   - B. that what is important to us may not be important to him. ____
   - C. that he knows and shares our unspoken feelings. ____

6. The biggest block to interpersonal communications is:
   - A. man's inability to listen intelligently, understandingly, and skillfully to another person. ____
   - B. man's inability to be logical, lucid, and clear in what he says. ____
   - C. the fact that any statement may have several meanings. ____

7. When an employee has an interview with his supervisor, he should be able to:
   - A. assume that his supervisor will speak in a logical way. ____
   - B. explain his own ideas in very clear terms. ____
   - C. assume that what will take place will be largely an interaction of feelings as well as ideas. ____

8. The process of personal communication requires:
   - A. words that have meaning in themselves apart from the persons involved ____
   - B. getting others to see things from your point of view. ____
   - C. that you make an estimate of the other fellow's needs and desires as well as your own. ____

9. It is necessary for everyone who must deal with other people on important matters to know how to listen with understanding because:
   - A. in a crucial conversation, false ideas of other people can lead to misunderstanding and disagreement. ____
   - B. there will be less argument. ____
   - C. people usually try to conceal their real feelings. ____

(To check your grasp of communications problems, turn to the answers on page 42)

Some workers view their boss as a tightfisted Ebenezer Scrooge.

another in chain-reaction fashion. It often takes great skill and much attention to select them out as we listen to another person.

Ability to take into consideration the other person's attitudes and frames of mind is necessary to give that person a feeling of being understood and accepted. It reduces the chances of provoking him into feeling defensive or threatened.

Such a mental attitude makes communication and persuasion almost impossible because it distorts everything being heard, seen, felt, and assumed. END

ABOUT THE AUTHOR: *Dr. Nicholas Rose is the chief psychologist at Wadsworth Veterans Administration Hospital, Los Angeles, Calif., and a consultant in communications.*

Answers to CommunicationsQuiz

1. The correct answer is C. It is not enough to be just a blotter or photographic negative that soaks up everything that is said. Good listening requires active participation on the part of the listener.

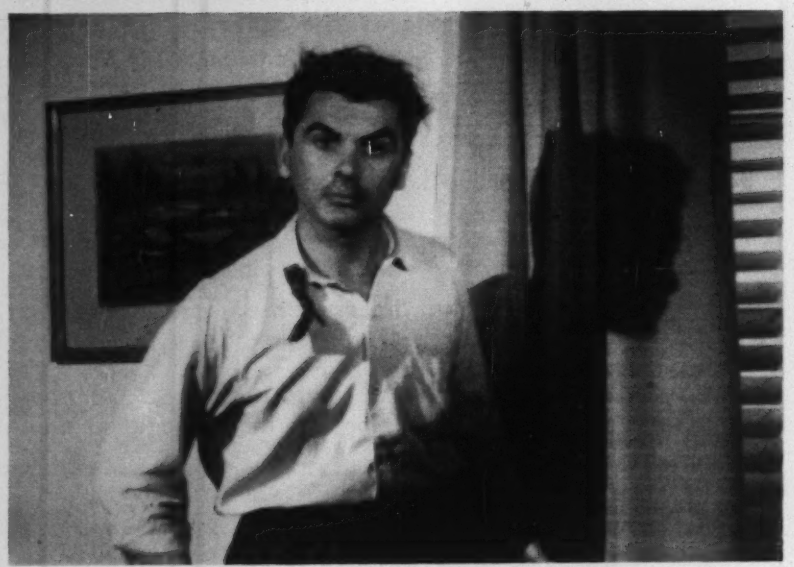
2. The correct answer is A. Many times facial expressions can be very deceiving. Just because a person appears interested in a subject does not mean he actually understands.

3. The correct answer is C. Feelings are deeply imbedded in people and are not subject to logical argument, whereas viewpoints and assumptions are more easily changed by new facts and perspectives.

4. The correct answer is A. It is not enough to concentrate on everything that is said; we have to be actively thinking as we listen. It is almost impossible to actually clear our minds of our prejudices and evaluations, but it helps to "know thyself."

5. The correct answer is B. People often think of something else when someone is speaking, and these unspoken feelings vary with each individual. It is safest to assume that the other fellow probably has a different set of values from your own.

6. The correct answer is A. No matter how logical, lucid, or clear the transmitter is, unless the receiver is "tuned in" there can be no communication. The fact that any one statement may have several meanings complicates the process of interpersonal communication, but good listening habits can overcome this obstacle.



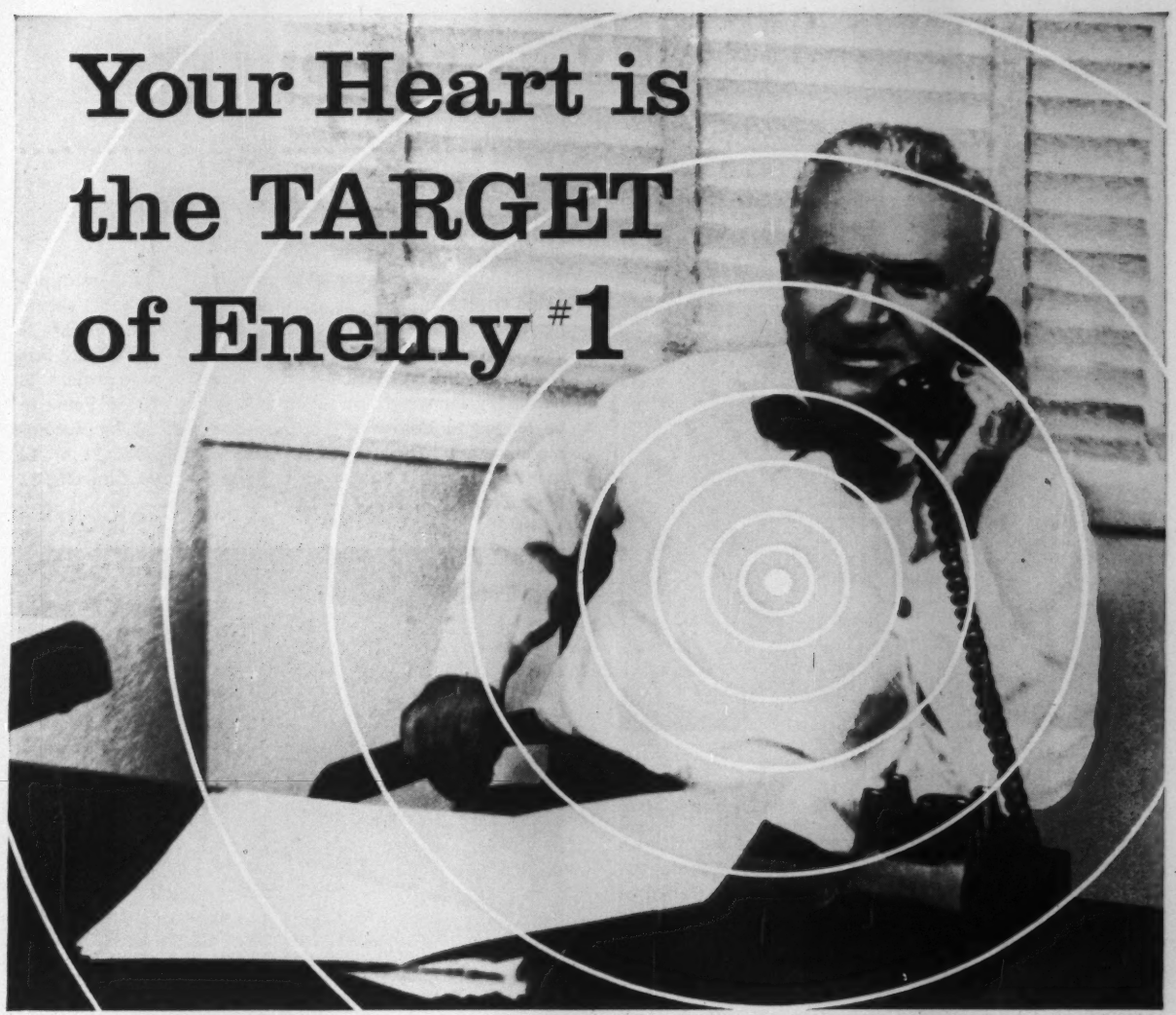
Some employers, meanwhile, see their employees as defiant malingerers.

7. The correct answer is C. Unfortunately, supervisors as well as most other people, do not always speak in a logical way. Explaining one's own ideas in the clearest of terms is not sufficient to achieve understanding.

8. The correct answer is C. Words have no meanings apart from the people involved. Getting other people to see things from your point of view is fine, but interpersonal understanding requires more than this "one-way communication."

9. The correct answer is A. "B" is wrong because elimination of arguments in itself does not mean good communication. "C" is also wrong because the purpose of listening with understanding is not just to get at hidden feelings, but to be able to communicate with others.

Your Heart is the TARGET of Enemy #1

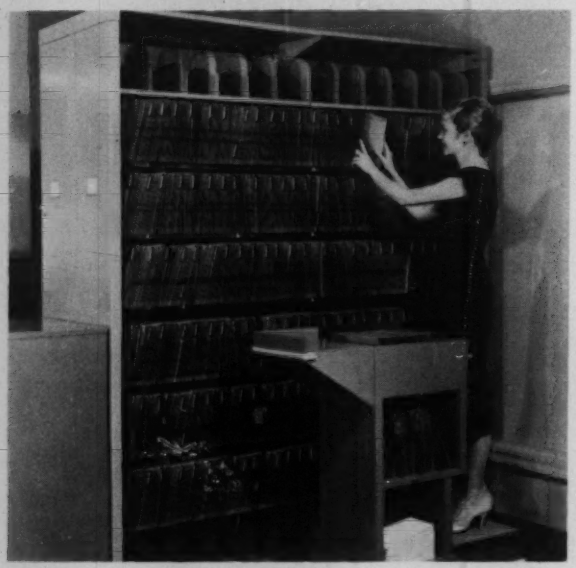


You might work at a lathe, on a tractor, behind a counter, behind a desk. It makes no difference. No one is immune to the heart diseases, our nation's #1 health enemy.

Your Heart Fund is your #1 defense. Your contributions support heart research. You make it possible for your Heart Association to bring the latest research advances to your physician—and to protect your heart and all the hearts you love.

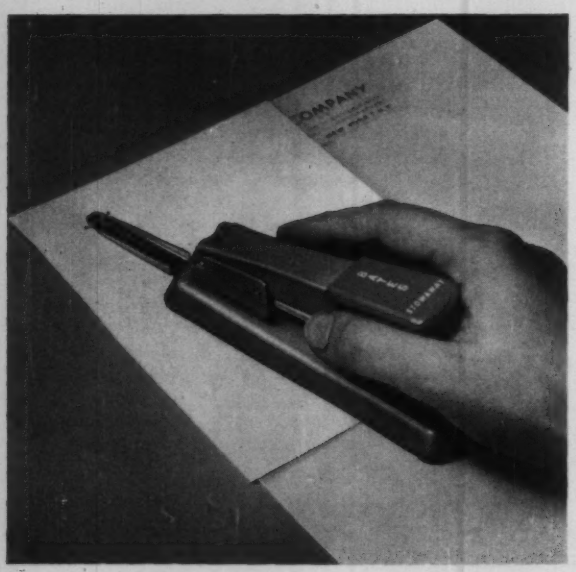
GIVE TO HEART FUND ® **FIGHT HEART DISEASE**

NEW SYSTEMS AND EQUIPMENT



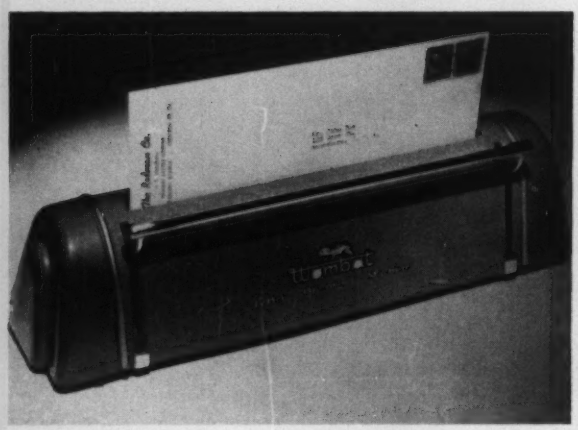
"Mobile Shelf Filing Truck" Enables Operator to File Correspondence

A new mobile, self-contained work station for use with all makes of shelf filing has been developed by Remington Rand Division of Sperry-Rand Corporation. Called a "Mobile Shelf Filing Truck," it enables an operator in one operation to handle correspondence both to be filed and to be retrieved from shelves. A step-stool platform enables the operator to reach top shelves. Remington Rand Division of Sperry-Rand Corporation, 315 Park Ave. South, New York 10, N. Y.



12-Station Automatic Collator Gathers 6,000 Sheets Per Hour →

An automatic 12-station office collator that gathers duplicated sheets into sets at a production rate of 6,000 sheets per hour has been introduced. The full production rate is delivered even when the equipment is set for feeding less than the full 12-station cycle. Since no adjustment is necessary for weight or finish of stock, all 12 stations can be loaded in less than one minute. The collator accommodates any size sheet from 3 by 5 inches to 11 by 14 inches. Thomas Collators Inc., Dept. P, 100 Church St., New York 7, N. Y.

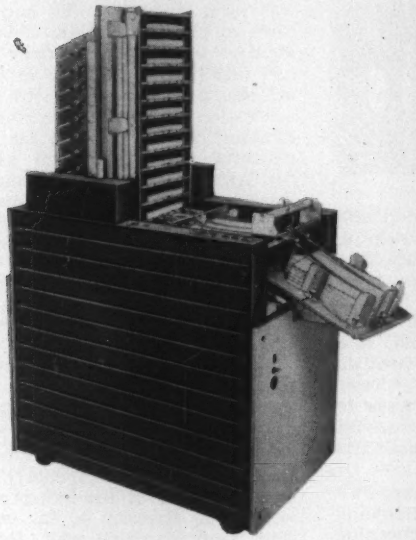


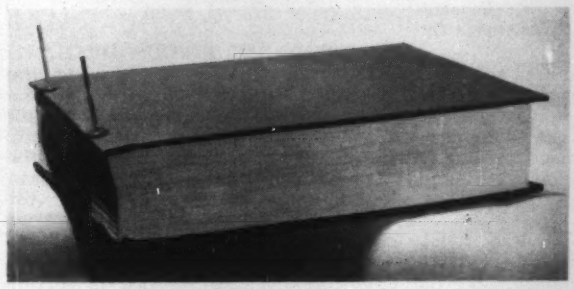
WOMBAT Letter-Opening Machine Handles Envelopes up to 9¾ Inches

The Redman Company has been appointed exclusive U. S. distributor for the new fingertip control WOMBAT letter-opening machine. The WOMBAT letter opener has a self sharpening blade that automatically aligns and opens 40 to 50 letters a minute without mutilating the contents. The WOMBAT can handle any size envelope up to 9¾ inches. The letter opener is designed especially for the small and medium-sized offices. The Redman Company, 6026 N. Cicero Ave., Chicago 38, Ill.

New Stapler, Bates Stowaway, Contains Own Staple Remover ←

A compact stapler, with its own stowaway staple remover, has just been introduced. The new stapler—the Bates Stowaway—is a 105-strip stapling machine with a folding staple remover fastened under the base. When the staple remover is not in use, it is tucked away out of sight. The all-metal device is finished in dawn gray with a matching gray plastic knob. It uses standard-size staples and holds 105 staples at a time. The Bates Manufacturing Company, Orange, N. J.



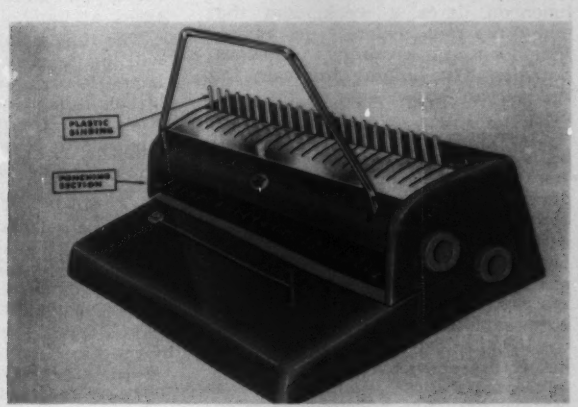


New Flexible File Binder Lies Flat, Permits Reading

A new flexible file binder has been developed that will serve first for regular use and can then be stored away for reference. Later, when the contents are to be destroyed, the binder can repeat the cycle. Any type of standard punch may be used in the binder. The six one-inch sectional posts of each set are of steel piano wire, in cadium plated spirals. This enables a thick binder to lie flat and permit reading all the way to the binding edge. Maher Records Binding Co., 1846 W. 34th St., Chicago 8, Illinois.

"Dart" All-Purpose Copy Maker Is Available in 13-, 18-Inch Sizes

A new "Dart" desk-top all-purpose copy maker is now available in 13-inch and 18-inch sizes. The "Dart," designed to expedite office and plant system procedures, makes photographically exact, same-size copies of forms, letters, charts, diagrams, drawings, or other translucent originals. It makes any number of copies from the same original for a material cost of about 1 cent per letter-size page. Copymation, Inc., 5650 N. Western Ave., Chicago 45, Ill.



General Binding's 12-Inch Combo Combines Punching, Binding Functions

The new GBC 12-inch Combo, a portable machine that combines both punching and plastic binding functions in a single desk-top model, has been introduced. Designed especially for offices and plants where binding volume may not require a full line of power equipment, the Combo offers a quick, economical method of binding a great variety of paperwork projects, including accounting and personnel records, sales presentations and literature, reports, etc. General Binding Corporation, Northbrook, Illinois.

Typewriters Can Be Cleaned By Typing on New Material

←

"Scotch" brand typewriter cleaner—a material that rolls into a typewriter like a sheet of paper and is simply typed on to clean the keys—has been introduced by Minnesota Mining & Manufacturing Co. The new material involves no solvent, putty, or brushes. The soft, fibrous material is chemically treated to remove dirt, ink, and foreign matter from typewriter keys. It comes in sheets 8½ by 11 inches. Minnesota Mining & Manufacturing Co., Dept. M9-465, 900 Bush Ave., St. Paul 6, Minn.

NEW BOOKS FOR EXECUTIVES

STREAMLINING YOUR EXECUTIVE WORKLOAD. *By Ray Josephs.* Overwork has become the norm for American business executives. As the author points out, your title and the range of your responsibilities affect the number of hours of overtime you put in. Company presidents, for example, average 11 hours of overtime, vice presidents spend 12 extra hours on work, and department heads less than eight hours of overtime each week. The executive who has six or more subordinates reporting directly to him averages 12 hours of overtime a week; the man with less than six, averages 10 extra hours weekly.

Other significant facts are that the typical executive has three business-luncheon dates a week, and that many top men devote from two to four evenings a week to business pursuits. The bulging briefcase has become an appendage to the busy man.

The secret of getting more done in business hours lies in "working smarter, not harder." To help you accomplish more in less time, the author interviewed hundreds of successful men. Case histories in the book show how these executives streamlined their work. Not all of the methods will be suitable for you, as each individual has his own pace of working and his own approach to different problems. Wisely, the author advocates that the reader view each method with two questions in mind: (1) How can I *adapt* this idea to my own daily activity? (2) What does it *suggest* that I ought to be doing, or should *stop* doing, or do *differently?*

Obviously, no man can streamline his work unless he records just what his responsibilities are and what time he is devoting to each of them. The author suggests that to get the most out of the ideas in the book, you should write a brief profile of your job and keep a record of how you spend your time for at least a month. The form of record he advises will take only a few minutes a day, and it will give you an accurate picture of where your time goes. (This reviewer adopted the record and found the results enlightening.)

In this bookful of imaginative formulas for streamlining work, several points stand out. Many men spend more time on the phases of their jobs that they like best than the tasks may warrant. This leaves less time for things that are more important and urgent. Frustration is the result. Mr. Josephs suggests how to reapportion your time for better balance.

An early chapter on planning and organizing your work is most helpful. The author emphasizes that "the immediate isn't necessarily the most important" task and shows how to line up projects in the proper order. Breaking down major goals into specific steps will help you whittle away at big projects in small doses. Another chapter contains 24 ways to make a schedule that will work; at least one method should be practical for you.

Shifting work to match your own efficiency cycle is another intriguing idea. Some people are "morning people" while others get going after lunch. If you chart your own efficiency cycle, you can make it mesh with the tasks at hand.

The time it takes to read this book will be a good investment. You're bound to find enough applications for streamlining your workload to more than repay the time spent reading it. *Prentice-Hall, Inc., Englewood Cliffs, N. J.* 203 *pp.* $4.95. M.F.

THE STORY OF GEORGE ROMNEY, BUILDER, SALESMAN, CRUSADER. *By Tom Mahoney.* Like the publisher's dream book, *Lincoln's Doctor's Dog,* this engrossing book by a splendid reporter exerts many-sided appeal. It will interest those who like to read about Detroit personalities and automobiles; it will interest those who like to know what takes place in the executive suites, especially during an attempted raid by a business pirate; and it will please those who like to read about vigorous, colorful personalities.

In perhaps greater detail than was absolutely necessary, Tom Mahoney has constructed a biography of the most colorful automotive figure since Walter P. Chrysler. George Romney was born in 1907 in the improbable town of Colonia Dublan, Chihuahua, Mexico, where the Romney family had fled in the 1880's to escape the Mormon persecutions. In rather rapid succession he became secretary for Senator David I. Walsh, the Massachusetts Democrat; then salesman for Alcoa; and, at 32, manager of the Detroit office of the Automobile Manufacturers Association. He joined Nash-Kelvinator on April Fool's Day, 1948. First thing he did was to take a training course for servicemen. On October 12, 1954, he became chief executive of the company. The rest is history.

Historians disagree about the importance of individuals in shaping the course of events. Could World War II have been won without Churchill? Could the Union have been saved without Lincoln? There is less doubt about the indispensability of George Romney to his company. This book explains why. *Harper & Brothers, 49 E. 33rd St., New York 16, N. Y.* 275 *pp.* $4.00. C.F.J.

HOW TO HELP YOUR HUSBAND RELAX. *By Beth Wheeler.* As the wife of an active, "top-notch" salesman and creator of the phrase "Don't sell the steak, sell the sizzle," Mrs. Wheeler has been confronted with the problem which so many wives have tried to solve—that of helping (or forcing) one's husband to relax.

Her book is comprised of 21 short, entertaining chapters. Each describes a different facet needed in solving the problem of relaxation. The use of more than 150 quotations and proverbs, however, does *not* add to its readability. Mrs. Wheeler gets off to a shocking, if not a threatening, start by giving the facts of life that face the premature widow—including how much harder it is to find a *second* husband. Thus the importance of getting *your* husband to relax is made clear.

The problem is divided into two parts: A—what the wife should get her husband to do, and B—what the wife herself should do. Category A includes getting one's husband to eat

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less, slow down, get some exercise (but not too much at one time), take a vacation, and read (even if it is only mystery stories). Category B includes setting an attractive table, keeping her troubles quiet at least until he has had a good dinner, staying within the budget, and making *him* feel important. One of the best chapters is "Don't Make His Business Trip Your Vacation"—a first-hand experience explaining why wives should *stay away* from their husband's conventions.

Many wives do not realize that their husbands cannot relax without help. Mrs. Wheeler's words to these wives are, ". . . many great men say, 'I owe it all to the little woman; . . .' *But*—how many men, prematurely under the sod, could say the same thing?" Somewhat extreme perhaps, but . . . *Doubleday & Co., Inc. New York 22, N. Y. 239 pp.* $3.95.

MRS. J.A.R.

Briefly Noted

PENSION FUNDS AND ECONOMIC POWER. *By Paul P. Harbrecht, S.J.* Father Harbrecht estimates that half of the people now covered by private pension funds may never actually benefit from them. In this analysis of the twentieth century phenomenon of the pension fund, he discusses the origins, workings, and impact of trusts. He brings up questions concerning their organization and safety that will interest all who deal with or are affected by pension funds. *The Twentieth Century Fund, 41 E. 70th St., New York 21 N. Y. 328 pp.* $5.00.

NEW ENTERPRISES AND SMALL BUSINESS MANAGEMENT. *By Paul Donham and John S. Day.* This book contains 45 case studies intended to "stimulate intelligent personal risk taking." It is written as a textbook to acquaint students with the elements and conditions of a new business undertaking by which its real potential may be most accurately assessed. Though a textbook, this work can be recommended for study by any person—long out of school perhaps—who has plans to start a small business of his own. *Richard D. Irwin, Inc., Homewood, Ill.* 834 *pp.* $9.00.

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YOURS FOR THE ASKING

The literature recommended below has been selected by the editors of AMERICAN BUSINESS for its usefulness to management executives. Requests for this material, which is free, should be sent directly to the companies listed. Prompt action is suggested; supplies of such material are usually exhausted within a few months.

"TROUBLED PEOPLE on the Job" is a 29-page illustrated booklet that provides valuable advice in dealing with emotionally disturbed employees. Symptoms of mental illness, methods of reaching these people, and where to go for guidance are discussed. Although usually sold at 50 cents each, single copies are available free to readers of AMERICAN BUSINESS from Mental Health Materials Center, 104 E. 25th St., New York 10, N. Y.

* * *

THE SAFETY of a worker's fingers—industry's best production tools—is the subject of a new pamphlet. Entitled, "A Simple Do-It-Yourself Project," the pamphlet deals in a humorous manner with a grim subject—the loss of fingers. Single copies available free from the National Safety Council, 425 N. Michigan Ave., Chicago 11, Ill.

* * *

"COLOR MEANS NEWS . . . news means color" is the theme of the 20-page illustrated booklet devoted to color planning and merchandising. "How to Select Customer-Catching Colors on Corrugated Containers" cites 10 basic product-news situations that call for use of color on shipping containers. Stone Container Corporation, 4200 W. 42nd Place, Chicago 32, Ill.

* * *

THE MANAGEMENT COUNSELOR, a bimonthly publication devoted to industrial cleaning programs, is now available. Industrial Sanitation Counselors, 2934 Cleveland Blvd., Louisville 6, Ky.

* * *

THE SIXTH REPORT to President Eisenhower by the Committee on Government Contracts discusses employment problems of minority groups and analyzes future employment trends. Available, along with similar literature, from The President's Committee on Government Contracts, Washington 25, D. C.

* * *

"EIGHT WAYS Publicity Men Can Keep Editors Happy" is the title of a valuable one-page reprint. The writer admits the "eight 'rules' are pretty prosaic," but recommends them to build good press relations. Greif-Associates, Inc., 320 Fifth Ave., New York 1, N. Y.

* * *

PLANNING AIDS which simplify planning and rearranging of filing systems are offered in a new kit. The folder consists of a scaled planning grid and pressure-sensitive templates. Kits are available for data processing and flow charting. Tab Products Co., 995 Market St., San Francisco 3, Calif.

* * *

USING SLIDES as an aid to your public speaking engagements is discussed in the humorous and informative booklet, "On Your Feet." These pointers can add zest to your next speech. Polaroid Corporation, Cambridge 39, Mass.

* * *

RETAIL COMPETITION is the subject of the reprinted speech by James O. Peckham, executive vice president of A. C. Nielsen. Entitled "The Battle of the Shelf," the 18-page booklet is available from Food/Drug Industry Relations, A. C. Nielsen Company, 2101 Howard St., Chicago 45, Ill.

* * *

A RATE CONVERSION CHART, with new fourth-class postal rates effective February 1, is being offered. With a breakdown by weight and zone, it contains present rates and new effective rates. Detecto Scales, Inc., 540 Park Ave., Brooklyn 5, N. Y.

* * *

A NEW SKETCH SHEET for planning the printing of magnetic ink characters on checks has been developed to show exact locations for positioning of all preprinted data. Printed on transparent paper, the sheet may be used to overlay checks. Autographic Business Forms, Inc., 45 E. Wesley St., South Hackensack, New Jersey.

* * *

SIMPLE INSTRUCTIONS on how to multiply and divide with a standard adding machine are contained on a new chart that shows examples of payroll computations, invoice discounts, and percentage division. Also included is a four-place chart for simple reciprocal division. Victor Adding Machine Co., 3900 N. Rockwell, Chicago 18, Ill.

BUSINESS ON THE MARCH

Light-Footed Economy

It used to be the practice of some trackmen—perhaps it still is—to keep lead weights in their shoes while training. In competition they would wear regulation running shoes. They supposedly felt as though they could fly around the track.

With the longest steel strike in history finally ended, perhaps the Nation's economy will feel similarly light-footed. In any event, business for the next three or four months should be something like the three or four months preceding the strike. And for the same reason: inventory replenishment.

As for the inflationary effects of the steel settlement and its impact on management's right to manage, opinion is divided along the usual lines. But there can be no division of opinion over the inflationary influence of government spending. Even when this spending is financed entirely by taxation, it tends to be inflationary. All too frequently it is financed by borrowing. This is clearly inflationary.

Advertising Effectiveness

H. G. Reid of Price Waterhouse had some wise words of advice not long ago for financial men seeking to measure the effectiveness of their company's advertising expenditures:

1. Steer clear of making marketing decisions.

2. Start on a modest scale and move ahead slowly.

3. Demonstrate continually that savings outweigh the cost of making the evaluation.

In doing this, the man from the money side should remember that marketing management needs data to help answer these four basic questions:

1. Which of our products do we promote heavily and which not so heavily?

2. In which marketing areas do we advertise?

3. What advertising media should we use?

4. How frequently should we advertise?

It is difficult to interpret the basic data needed to answer these questions, Mr. Reid rightly warns. Statistical sampling and operations research will help.

Office-Machine Standards

The step taken last month by the American Standards Association provides still more evidence of the growing importance of business equipment. At a national conference, representatives of 27 organizations recommended standards projects for office machines and data-processing equipment, including digital computers.

What this promises is the eventual development of an international machine language by which information programed for one computer can be used in any other computer, without having to be recoded. Computer operators could work with any computer with a minimum of retraining. Standard terminology and definitions of data-processing operations and functions would also be provided.

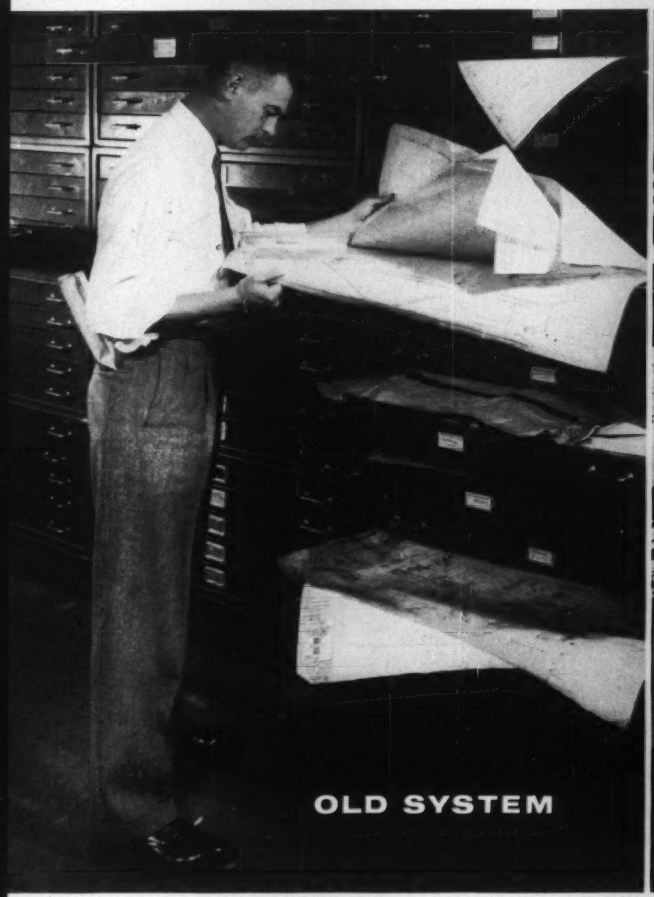
This project is a vast one but it also holds vast promises for users and manufacturers. The industrial revolution is no longer confined to the shop; it is also taking place in the office, and indeed has much to accomplish there. This process will be facilitated by common standards.

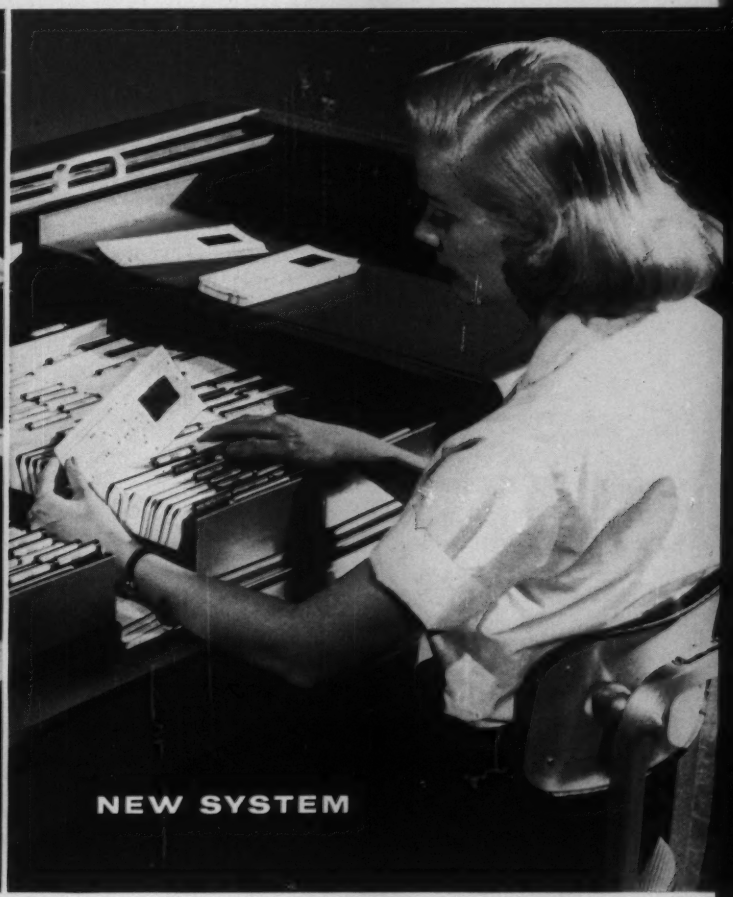
Small Businessmen

There is a lot of talk about big business becoming bigger and small business becoming smaller. Question: "When does a business become 'too big'?" Peter Drucker has an answer: "A business has become too big," he says, "when the vice-presidents have to wear name badges at their own staff meetings." In a more serious vein, Professor Drucker said that bigness is a matter of diversity rather than size. When a company expands and diversifies to a point where it is no longer possible for top management to set policies and make key decisions for the whole business, the business has become unmanageable and, therefore, too big.

As for the tears our politicians shed at election time for the "plight" of the small business, most businessmen—small or large—who know their business, and use horse sense in running it, are doing all right. The trouble with too many small businessmen is that they don't know and won't learn. They try to run the business by wishful thinking.

thanks to *automatic* xerography...





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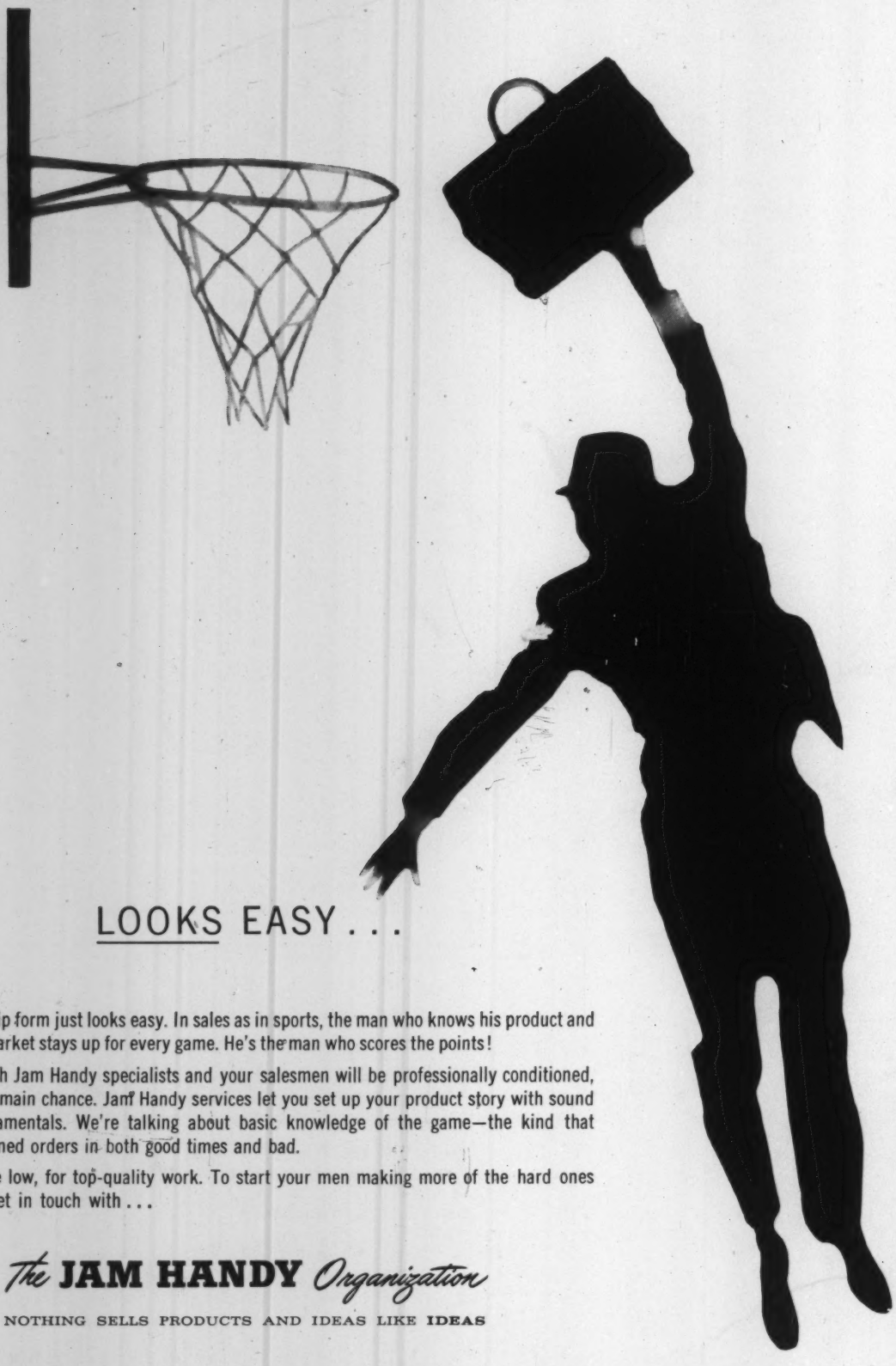

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